NATIONAL WEEKLY

Social Justice

Founded 1936 by Father Coughlin

Royal Oak, August 29, 1938 Subscription: Three Dollars Per Year

10¢

I SEARCH FOR TRUTH IN RUSSIA
by Sir Walter Citrine

•

FROM THE TOWER
Father Coughlin

•

A PATTERN FOR REVOLUTION
Jennings C. Wise

•

THE TEMPTATION OF JONATHAN
George Sylvester Viereck

•

THE END OF IMAGINARY MONEY
Robert H. Hemphill

•

I'M ON RELIEF
John Devlin

•

THE WAY OUT
Hilaire Belloc

•

CHRISTIAN FRONT CONTEST

VOL. 2A NO. 8

Take TAX Off FOOD

MILLIONS of dollars are assessed every year in the form of taxation against the food which the laborer is forced to buy.

It was not enough to inflict upon labor the less-than-living wage. It was not enough to force labor to work for the slave pittance extended by the W.P.A. It was not enough, in view of these facts, for the Government to regulate the production of food in order to make higher prices. Government, both Federal and State, then sand-bagged the laborer with food taxes and sales taxes on food which is the prime necessity of life.

A food tax is an unjust tax because it does not weigh equally upon the laborer and upon the better financially circumstanced citizens. A dollar a week tax on food paid by a laborer inflicts a greater burden upon him than a dollar a week food tax upon the millionaire.

The ordinary laborer's family pays approximately $100 a year for food tax. It is taken from his purse by the invisible hand of the consumers' tax. It is a tax which is added on to the price of bread, butter, bacon, eggs and every commodity which passes over the counter of a grocery store or butcher shop.

It is high time that American labor, through its various unions, rebel against this unjust tax.

Every just minded citizen will be glad to assist labor in removing this burden.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Social Justice

AUGUST 29, 1938

CONTENTS

ARTICLES

A Pattern for Revolution
JENNINGS C. WISE PAGE 3

I Search for Truth in Russia
SIR WALTER CITRINE PAGE 9

I'm On Relief
Part Two
JOHN DEVLIN PAGE 11

The Temptation of Jonathan
GEORGE SYLVESTER VIERECK PAGES 12-13

The End of Imaginary Money
ROBERT H. HEMPHILL PAGES 14-15

The Way Out: Summary and Conclusion
HILAIRE BELLOC PAGE 16

Can the Cracked-Up C.I.O. Be Mended?
FATHER COUGHLIN PAGES 18-19

FEATURES

The Week in the Nation PAGE 7

The Week in the World PAGE 8

"Will the Gentleman Yield?" PAGE 17

The Week in the News PAGE 20

Christian Front Contest PAGE 21

Curbstone Editorials PAGE 22

How Much Is Truth Worth? PAGE 23

FROM THE TOWER

Protocol Number Five
FATHER COUGHLIN PAGE 5

EDITORIALS

PAGE 6

MAN OF THE WEEK

James A. Farley PAGE 24

COVER

Take Tax Off Food

SOCIAL JUSTICE, National Weekly, Copyrighted 1938, by The Social Justice Publishing Company; publication and editorial office, Royal Oak, Michigan. Subscription price, United States and possessions, $3.00 per year. Unless otherwise directed all subscriptions begin with the current issue. Three weeks is required to effect change of subscriber's address. Give both old and new addresses. Entered as second class matter, March 12, 1937, at the Post Office, Royal Oak, Michigan, under the Act of March 3, 1879. Rev. Charles E. Coughlin, LL. D., Editorial Counsel (by permission of his Ecclesiastical Superior); E. Perrin Schwartz, Editor.

SOCIAL JUSTICE is fully protected by copyright and nothing that appears in it may be reprinted, either wholly or in part without special permission. The use of articles or quotations from Social Justice for digest, advertising, promotions and stock-selling schemes is never authorized.

Vol. 2A No. 9

Schedule of Shrine Tours

LOCATION OF THE
Shrine of the Little Flower
ROYAL OAK, MICHIGAN

The Shrine of the Little Flower of which Father Coughlin is pastor, is located on the corner of Twelve Mile Road and Woodward Avenue. Woodward Avenue is Highway U. S. 10.

AFTER LEAVING THE CITY OF TOLEDO, THE BEST WAY TO REACH THE SHRINE IS TO REMAIN ON HIGHWAY U. S. 24 UNTIL YOU COME TO THE TWELVE MILE ROAD. THEN TURN RIGHT AND COME DIRECTLY TO WOODWARD AVENUE. This route avoids the heavy traffic of the city of Detroit.

NATIONAL DAY AT THE SHRINE OF THE LITTLE FLOWER

September 3, 4 and 5

For PITTSBURGH and SURROUNDING TERRITORY

Tour to the Shrine of the Little Flower, Royal Oak, Mich. The only trip of its kind ever offered to Fr. Coughlin's followers in Pittsburgh.

LOW FARE · $13.65 · ROUND TRIP

A GREAT LAKES CRUISE Via
Penna. R. R. to Cleveland, Ohio
D. & C. Steamer to Detroit, Michigan
Including bus direct to the Shrine, 3 meals, berth in stateroom.
For more information apply NOW to any of the following:

A. J. STAUD
51 Amanda St.
Pittsburgh, Pa.
HEmlock 8307

MRS. MARIE GUCKERT
1721 Brighton Pl.
N. S. Pittsburgh, Pa.
FAirfax 1217

MRS. LOU SCOTT
400 Magee Bldg.
Pittsburgh, Pa.
ATlantic 2956 or EVerglade 5366

Special arrangements can be made to accommodate groups from surrounding districts. You are advised to write at once.
RESERVATIONS ARE LIMITED

New York and Eastern States

Labor Day Tour to Royal Oak

Round Trip Fare **$22.75** All Expense

Via the Erie Railroad and Great Lake Steamer

For More Information and Reservations
Write, Phone or Wire

BRYAN B. O'ROURKE
1807 Westchester Ave.
Bronx, New York
Westchester 7-1731

ERIE RAILROAD CO.
12 West 51st St.
Rockefeller Center
New York City

PENNSYLVANIA, NEW JERSEY DELAWARE AND MARYLAND

A special tour to the Shrine of the Little Flower, will be conducted over LABOR DAY, (September 3, 4, 5, 1938.)

Anyone interested in taking this trip is requested to write at once to either of the following:

THE BALTIMORE AND OHIO RAILROAD
151 S. Broad St., Philadelphia, Pa.
Telephones
PENnypacker 1900-01-02-03 RITtenhouse 4500

FLOYD M. NELLETT
151 S. Broad St., Philadelphia, Pa.
Telephone—REGent 6873

PHILADELPHIA, PENNSYLVANIA

Labor Day Excursion

September 3, 4, 5

By Railroad and Lake Erie Via Steamer

ROUND TRIP
$19.50

For more information, contact:
FLOYD M. NELLETT

151 S. Broad St.
Philadelphia, Pa.
Pennypacker 1902

or

1242 E. Oxford St.
Philadelphia, Pa.
Regent 6873

Father Coughlin Replies . . .

Who controls the policies of the Federal Reserve Banks? asks a recent correspondent who adds: "If the Board of Governors do, the Government must have some control over the Federal Reserve System as the board is appointed by the President." To which Father Coughlin replied:

"In reply to your question, may I cite as an example the case of the Federal Communications Commission.

"The Federal Communications Commission is the appointed board to govern the activity of radio stations, but the radio stations are owned privately. All the profits made therefrom belong to the owners of the radio stations.

"Now, the Federal Reserve Board is similar to the Federal Communications Commission. Its members are appointed to this board by the President to govern the activities of the Federal Reserve Bank. But the Federal Reserve Bank stock is owned by the stockholders who own the private banks which are affiliated with the Federal Reserve. All the profits accrue to them."

"Christian Front" Contest Aids Broadcast Fund

The current "CHRISTIAN FRONT" Contest, besides being the last of a four-series of that type of competition, is the most important ever conducted by SOCIAL JUSTICE for an altogether different reason. Its proceeds are urgently needed in the Broadcasting Fund which must be on hand to assure Father Coughlin's next season on the radio.

The widest and most comprehensive national network of stations ever used is now in negotiation. It is realized not only by Father Coughlin himself but by many leaders of thought in America that his message of social justice must go out to an even larger American audience if the inroads of Communism are to be choked off forever.

Every person who enters the great contest and, under the rules, obtains two yearly or four half-yearly subscribers is rendering help towards this most worthy objective.

Of course, every person likes to win material rewards for work well done. In this great contest there is ample recompense for a few minutes thought each week on questions dealing with the social justice principles of Father Coughlin, the contents of our SOCIAL JUSTICE magazine, and Christianity.

There is a Grand Prize of $3,000.00 for the best and most appropriate set of answers submitted. There is a Second Prize of $1,400.00; a Third Prize of $1,000.00; and 156 additional cash awards. Since it has been amply shown in the past that anyone can win a SOCIAL JUSTICE Grand Prize or other substantial award, there is plenty of room in the "CHRISTIAN FRONT" prize-list for much happiness just a few weeks before Christmas.

Every person who was a participant in former SOCIAL JUSTICE contests should enter at once. This can be done this week by using the "Past Questions" Coupon in today's contest announcement. Remember — this can be your turn to win.

Coming . . .

Part one of a new series of articles tracing "A Pattern for Revolution," which appears in this edition of SOCIAL JUSTICE, is reproduced with permission from the author's book, "THE VOICE OF THE REPUBLIC" by Jennings C. Wise, published by The Paisley Press, Inc., 551 Fifth Ave., New York City.

Col. Wise is author of an earlier work "WOODROW WILSON: DISCIPLE OF REVOLUTION" which in large measure paves the way for his present work.

A second instalment of this startling and important series will appear in SOCIAL JUSTICE next week.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

A Pattern FOR REVOLUTION

By

JENNINGS C. WISE

Was the Late Col. House's Notorious Book — the Story of "Philip Dru" — Another "Gabriel Over the White House?" Three Americans of Presidential Calibre Appear to Have Been Profoundly Influenced by Col. House's Plot.

On March 31, 1938, the President of the United States deemed it necessary to summon representatives of the press and assure them that he entertained no dictatorial design.

Succeeding by only a few days the President's disclaimer of intended dictatorship, Secretary Ickes proclaimed that our national danger is from Fascism, not Communism.

The remarks of the Interior Secretary approached the ridiculous in that, first: the President had just repudiated Fascist intentions; and second, that most of the New Deal program is taken directly from the revolutionist program published in 1913 in "Philip Dru, Administrator" by the late Edward M. House, a public advocate of dictatorship in the United States.

What the President does not seem to understand is that he was deliberately selected to perform a dictatorial role in a revolution already well on its way, and that he has been contributing, even if unconsciously, to the success of the revolution. Few, even among conservative-minded Americans, have grasped these facts.

—THE AUTHOR

Most people conceive of a revolution as an occurrence necessarily of a violent nature, and of revolutionists as dingy persons with flowing beards and a plentiful supply of bombs. They do not understand that revolutions have never been initiated by a lawless majority, that they have always been promoted and incited by a small number of intellectuals, more often than not well-meaning fanatics. Even the press continues to speak only of an *impending revolution*.

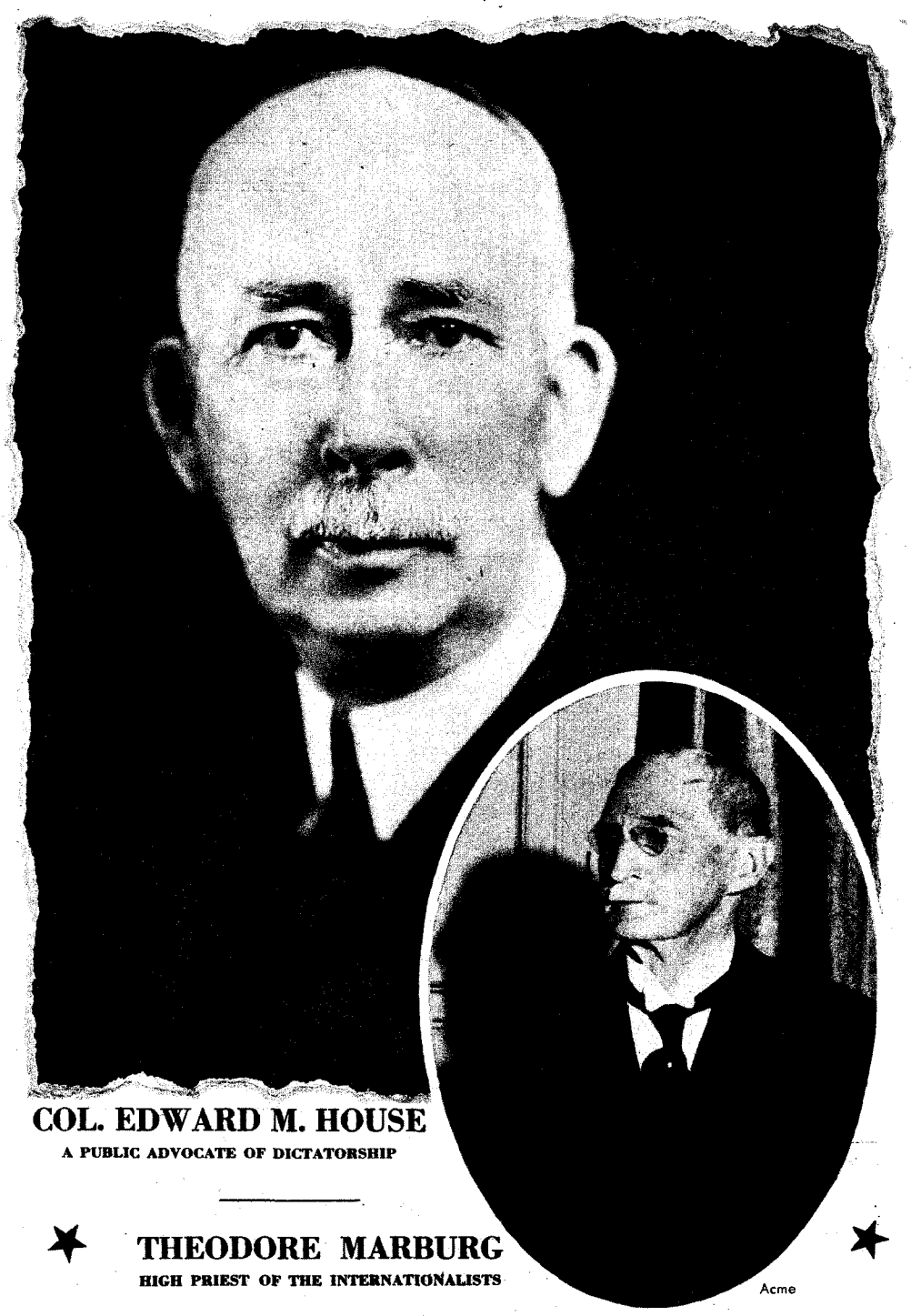
The fact is that, to paraphrase a well known title—It HAS Happened Here! Not only that, but it has been going on for years. The existing revolution is the inevitable and logical outgrowth of politico-economic conditions in Europe following the French Revolution.

That revolution settled nothing. The new unrest was fermented by Owens, Saint-Simon, Louis Blanc, Giuseppe Mazzini, Karl Marx, Engels, Bakunin, Prince Kropotkin, and a host of others calling themselves "liberals," Socialists, Social Democrats, Communists, Nihilists, Anarchists, and what not. Into the American "melting pot," unrestricted immigration brought the "isms" of all these agitators.

The present revolution, thus originated, must be followed through its early phases, if we are to appraise intelligently its recent manifestations. Hence the tremendous political importance attached by various distinguished critics to this writer's *"Woodrow Wilson: Disciple of Revolution,"* which traced the movement through its earlier stages.

Though interrupted, to outward seeming, by a succession of Republican presidents after Wilson, the progress of the revolution continues to be evident underground. Increasing labor unrest, continuing legislation favoring the under-privileged at the expense of capital, and growing fissures in the Republican control of the Middle and Far West, sufficiently tell the story, preparatory to the debacle of 1932.

From the time of the "Louisiana Bubble" (1716), countless eyes had been fixed on the Mexican province of Texas. Aaron Burr seems to have planned to seize this region with the joint aid of Americans and Euro-



COL. EDWARD M. HOUSE
A PUBLIC ADVOCATE OF DICTATORSHIP

THEODORE MARBURG
HIGH PRIEST OF THE INTERNATIONALISTS

Acme

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

peans, and to set up an independent state west of the Mississippi. Numerous adventurers and political agents were scheming and plotting in Texas when Samuel Houston, who had taken the Cherokee blanket, learned from his adopted tribes of the schemes afoot. When he was sent back to Texas by President Jackson to promote a revolution designed to bring Texas into the Union, he was joined by one Thomas House, an obscure Englishman who was to prosper handsomely from the successful revolution.

A banker by trade, and a large owner of cotton lands, Thomas House was in entire sympathy with the "Southern Oligarchy" and the secret order known as the "Knights of the Golden Circle," whose purpose was to detach the cotton states from the Union, and erect, with the aid of Mexico and France, a vast slave empire in the region of the trans-Mississippi and the Gulf of Mexico.

House was not only a revolutionist, but a crafty diplomat who maintained the closest relations with the British government down to the formation of the Confederacy, when he became a virtual under-secretary of state in the cabinet of President Davis. Dealing directly with the British cotton interests, the Holy Alliance, the Emperor Napoleon and the Emperor Maximilian, this British-born free-trader and master of political intrigue, managed as a "blockade runner" and shipper of cotton, to come out of the Civil War, richer than when it began!

Under these circumstances, it was natural that Edward Mandell House, son of the opulent Thomas House, born in 1868, should manifest at an early age a keen interest in politics and diplomacy, should be a free-trader, and should deem the British parliamentary system far superior to the Congressional. Educated in the North, he devoted himself principally to a study of politics, and became in time a professed disciple of Louis Blanc. According to his own statements, he was already a revolutionary when he entered Texas politics. Manifesting all the skill of his father in the craft of diplomacy, he was soon a power in legislative circles, particularly notable for his "panther-like" tactics and "oily" methods during the regimes of Governors Hogg and Culberson. As a lobbyist, he had few equals.

Such was the odd-looking, retiring little man who, with increased wealth, suavely attached himself to the councils of William Jennings Bryan, and soon gained the Nebraskan's confidence.

BEARING the title of "Colonel" as a member of Gov. Hogg's staff, House presently decided to establish himself in New York. The brother-in-law by marriage of Dr. Sidney E. Mezes, president of the College of the City of New York, he soon met Bernard M. Baruch, the foremost graduate of that institution. Finding Texas too limited in scope for his political talents, House was in doubt after Bryan's third defeat, about the "Great Commoner's" presidential prospects. So, he frankly tells us, he looked in New York for the man who as President, would "fill his bill."

The Colonel met Joseph Pulitzer, Richard Olney, Charles Eliot, Jacob Schiff, George Harvey and Walter Hines Page; also Theodore Marburg, the high priest of the internationalists, who was promoting a "league of nations to enforce peace," and countless other persons of eminence.

The more House talked with Pulitzer, Page, Harvey, Bridges and the others, who by a deal of the Democratic "bosses" had made Wilson governor of New Jersey in 1910, the more he began to covet an intimate contact with the governor as a rather likely candidate for the presidency.

Having established close contact with numerous international bankers, Col. House now adopted the League of Nations idea. From *"The True Colonel House"* it appears that his avowed purpose was to lead the American people away from their traditional policies and to so transform the Democratic party as to work a revolution in the American form of government. In other words, as a disciple of Blanc, he was not only promoting an international revolution, but was working in cahoots with the international bankers.

(To be continued)

Colonel House's meeting with Wilson and the latter's fascination with the fictional dictator "Philip Dru" are to be told in a forthcoming instalment of Mr. Wise's narrative.

Internationalist PLOTTERS *Select* MEN IN ADVANCE

"In 1919 I was invited to the United States to give certain advice in connection with the taking back of the American railways into private ownership. Being, in those days, somewhat less suspicious than I have, unfortunately, grown to be, I explained at some length my views upon finance to several individuals who were primarily interested in that fascinating pursuit. Perhaps in return for this innocent display of helpfulness, I was furnished, on my intimating that I proposed to re-visit Canada before going home, with a number of introductions, amongst which was one to the present Prime Minister of Canada, Mr. Mackenzie King, *who at that time was a comparatively unknown politician.*

"On my inquiring into why I should see Mr. Mackenzie King, I was informed that he was *to be the future prime minister of Canada*, which he, in fact, became about two years afterwards.

"On casually relating this incident a few years later to a well known Canadian, thoroughly familiar with Canadian politics, he remarked, *'Well, none of us here in Canada knew it!'* "

—From "Finance in a Hurry" by Major C. H. Douglas in Social Credit.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Fifth PROTOCOL

MR. R. BROWN of Grand Rapids, Michigan, recently brought to the attention of SOCIAL JUSTICE the following quotation from the Communistic monthly publication, *Jewish Life*:

"A Reform Rabbi recently spent three weeks in the Soviet Union and his observations and impressions are embodied in an article entitled, "Is There a Jewish Problem in Soviet Russia?" which appeared in the May issue of *The Hebrew Union College Monthly*. The conclusions of the author, Samuel Teitelbaum, Rabbi of the United Hebrew Congregation, Fort Smith, Arkansas, should do much to convince the Jewish masses of America what the Soviet Union means to them. His concluding statement emphasizes once again the essential significance of the Soviet Union to the Jews of the world. He says: 'Whatever be the status of Judaism and religion, it may be categorically stated that there is no Jewish problem in the Soviets.'

"The Soviet Union is the only country in the world, having a large Jewish population, in which the Jewish question is not raised as a foremost issue, whether religious, racial or social. One need but cross over the western border into Poland to appreciate the striking dissimilarity.

"Compared to the status of Jewish life in Fascist lands, in Nazi Germany or in now Nazified Austria, for example, the U.S.S.R. is a veritable Utopia for the Jewish people. Only Socialism has so far been able to solve the Jewish problem."

The above quotation is most thought provoking. Particularly, the last paragraph perplexes the minds of Christians because Christianity is absolutely opposed to the type of Socialism intimated by the learned Rabbi; for it is the Socialism which is identified with Communism.

Consequently, when he says that only Socialism has been able to solve the Jewish problem; when he prefaces this remark by stating that the U.S.S.R. is a veritable Utopia for the Jewish people, are we Christians prone to accept his bald statements as proven facts?

Are orthodox Jews permitted to exercise their religion to the fullest extent in Soviet Russia? Positively not. If that is so, how can Russia be a Utopia for any Jews except unorthodox Jews?

Does the Jewish religion as taught by Moses and the prophets condone the gross materialism, the atheism, the confiscation of property and other evils which are upheld in this so-called Utopia? Positively not.

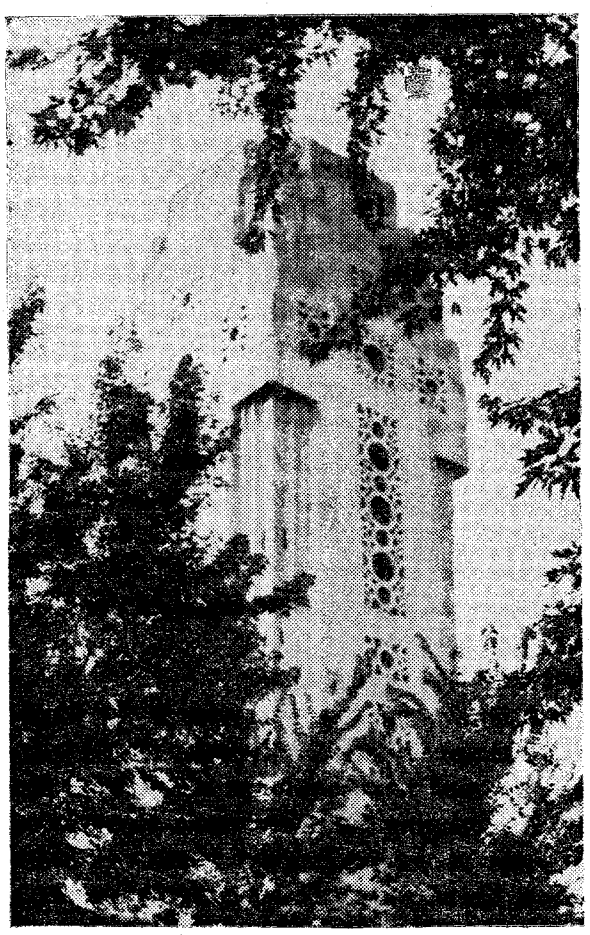
How, in the name of sanity, can such an erudite gentleman as Rabbi Teitelbaum maintain that Soviet Russia is a modern Utopia for Jews or for anyone else? Freedom of all religion is restricted by the Soviet commissars. Atheism is officially supported. The rights to private property are sadly impaired. The concept of the state existing for the citizen is perverted, while the heresy that the citizen exists for the state is legalized. The spiritual origin of man is derided, while the materialistic interpretation of existence is supported.

Although the word, 'democracy,' is mouthed by the rulers of Russia, the most insidious form of tyranny is practiced.

One can readily understand why the Communists of the Soviet Republics chose red for their national color when one remembers that approximately 17-million Christians shed their blood as victims of the hatred of Christianity which characterized the revolution of 1917.

I repeat that it is difficult to understand why Jewish pulpiteers are very vocal in castigating Fascism and Nazism and comparatively silent in condemning this detestable Communism which is described indirectly as the Utopian form of government by such an eminent Rabbi as Samuel Teitelbaum.

Recently the *New York Herald Tribune* reported a sermon of Rabbi Wise, who appealed to the Christians of New York to aid the Jewish



FROM THE TOWER

refugees. He said: "The Christian world can do a great deal towards redeeming humanity to its principles of justice and righteousness by standing behind this conference (London conference) and demanding that it create a means to assist distressed victims of Fascist race and religious intolerance."

Is Rabbi Wise ignorant of the fact that *there would be no such thing in this world as Fascism or Nazism unless both of these had been generated by the excesses of Communism?*

Does Rabbi Wise entertain the opinion that we Christians are ignorant of the persecution levied against our fellow Christians in Russia at this very moment? Their private property no longer is sacred. Their spiritual rights are denied. Their physical well-being is once more lashed at the pillar of prejudice. All this was accomplished years before either a Nazi or a Fascist either spoke or acted against the Jew.

In the chronological order the welfare of the Christian comes first; for, until such time as the modern Jewish world arises from its lethargy to campaign vigorously against the Soviet Republic and its Communism in behalf of Christianity, it will be difficult for Christians to exercise anything but lethargy towards the persecuted Jew.

Rabbi Hyman Schachtel of the West End Synagogue, 160 West Eighty-second Street, New York, deplores on the same day the "growing campaign of lies and inner-strife" from Berlin. He continued by saying: "Whoever plays with Hitler has to follow Hitler's rules. Moreover, conditions must be bad in Italy when Mussolini has to feed the people this imported baloney from Berlin. . . . It has already proved to be a bad diet. The Pope condemned the so-called super-nationalism of Fascism. With scarcely 47,000 Italian-Jews, it is difficult to see much success for this hate program."

When this eminent Rabbi mentions the "growing campaign of lies and inner-strife" from Berlin, is he ignorant of the Gargantuan lies which have emanated from Moscow during this past quarter of a century?

When he castigates Mussolini for his attitude towards the Jews, is he ignorant of the existence of Senator Lodovico Mortara, a Jew, formerly Minister of Justice and until recently presiding Justice of the Supreme Court, the highest court in Italy?

Is he ignorant of the existence of Professor Vivante, another Jew, the author of Italy's commercial code; of Federico Cammeo, a third Jew, who drafted the legal clauses of the recent treaty of conciliation between Italy and the Vatican?

Does this erudite Rabbi profess ignorance of the fact that 11 Jewish generals are serving in the Italian army, which leads to the conclusion that there must be a proportionately higher number of Jewish officers in all ranks now in active service?

Has Rabbi Schachtel failed to inform himself that 14 Italian senators of Israelitic faith, equal to 5 per cent of the total senatorial group, are respected and honored in Italy?

Under the Fascist government in Italy Jewish religionists are given an equal participation in the administration of public affairs. Olivetti is Secretary of the Fascist Confederation of Industries. Jung has been Minister of Finances. Senator Teodoro Mayer heads the Italian Securities Institute and is a Minister of State. Professor Santi Romano is the president of the Council of State. Baron Morpurgo is chairman of Assicurazioni Generali. Senator Carlo Schanzer, formerly Minister of Foreign Affairs, is now Minister of State. Senator Lodovico Mortara is also Minister of State.

With these facts, which give the lie to prejudiced ignorance, we ask Rabbi Schachtel to revise his estimate of this so-called hated Fascism which does not exterminate decent Jews but which permits them to practice their religion and to participate in national affairs to the fullest extent.

That cannot be said about the Communists of Russia where Christianity is still outlawed for all practical purposes, and where Christians are still the target of radical reprisals.

All in all, we return to our thesis that it is high time for the Jews, publicly and privately, in pulpit and in press, to originate a sound campaign against Communism both here and abroad if they expect Christians to join with them in aiding the persecuted Jew wherever he happens to be.

Persecuted Christians have just as much feeling as persecuted Jews. Christians cry for civil liberties which are denied them in Russia. Christians long to kneel before their altars, which longing, for all practical purposes, is a mockery in the land of the Communists. Christians abhor class dictatorship with its regimentation, its poverty and its forced state worship which is imposed upon them by the Russian Soviets whose commissars legally defend the rights of the Jews.

IN PRINTING this fifth Protocol, I emphasize once more that I am not interested in the authenticity of the Protocols. I am interested in their factuality.

Some students still entertain a century-old debate as to the authenticity of *"Hamlet," "Julius Caesar," "Merchant of Venice"* and other plays commonly attributed to Shakespeare. These students to whom I refer maintain that Bacon was the author of the above-mentioned dramas.

Be it Bacon or Shakespeare, it does not rob these dramatic masterpieces of their factuality. The authenticity is negligible compared to the actual possession of these brilliant creations.

So it is with the Protocols: Their *authenticity* is negligible. Their *factuality* is of vast importance! The factuality that Jews were the chief instigators of the 1917 revolution in Russia; that the Jewish banking firm, Kuhn-Loeb, contributed money to bring about this mad slaughter of Christians which resulted from this revolution; that Jews, altogether out of proportion to their population, hold innumerable offices throughout various soviets of Russia; that Jews are protected by law in Russia; and that Christians are exempted, persecuted, slaughtered and outlawed from every office of state and practice of religion except insofar

(Continued on page 20)

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

NATIONAL WEEKLY

Social Justice

Founded 1936 by Father Coughlin

Rev. Chas. E. Coughlin, LL.D.

EDITORIAL COUNSEL

(By Permission of His Superior)

Published by The Social Justice Publishing Co.

16 PRINCIPLES OF SOCIAL JUSTICE

Liberty of conscience and education.

Just, living, annual wage.

Nationalization of important public resources.

Private ownership of all other property.

Control of private property for public good.

Abolition of Federal Reserve Banking System and establishment of a government-owned Central Bank.

Restoration to Congress of its sole right to coin and regulate the value of money.

Cost of living maintained on an even keel.

Cost of production plus a fair profit for the farmer.

Labor's right to organize.

Recall of non-productive bonds.

Abolition of tax-exempt bonds.

Broadened base of taxation on basis of ownership and capacity to pay.

Simplification of government and lower taxes.

Conscription of wealth as well as men in event of war.

Sanctity of human rights preferred to sanctity of property with government's chief concern for the poor.

Dictatorship Again

THE whole alarming issue that was before the country during the battle in Congress to prevent the President's "dictatorial" reorganization of the Government, is raised again in the primary campaigns of Congressmen and Senators who are on the President's private "purge" list because they opposed his will in the former instance.

The issue at the primary polls is dictatorship! All that SOCIAL JUSTICE – and almost every other paper in the land except the Communist press—charged against the President is now borne out by his own actions. This in spite of his calling newspaper writers out of bed in the middle of the night, to make more dramatic his disclaimer that he does not intend to make himself dictator. Dictators do not declare their intention; probably not one of the so-called "dictators" in Europe would admit—or recognize —that he is one.

But if Congress is to be purged of all who do not vote with the President on his personal New Deal program, it is even a lesser step to abolishing Congress itself. If the people want it that way *let us have a referendum on dictatorship.*

If the voters want Franklin Roosevelt—or any other man—to be their Government—or to be even the *responsible head* of Government—let them vote openly on that issue.

Much of the opposition to the reorganization bill was the underhandedness of the methods by which it was sought to achieve something sinister beyond the announced objectives. Indeed it was this very indirection that made the whole subject of executive reorganization so attractive to the subversive enthusiasts of the leftist press. Ninety-five per cent of the people, every patriotic and veteran group, and every newspaper except the Communist press, was vociferously against "dictatorial" reorganization.

To punish those few brave Congressmen who saved the country from it, by the President's personal interference in the people's primaries, is a dictatorial usurpation which—if we know the American people—will kick back at the interferer even harder than did the indecisive reorganization defeat.

John J. O'Connor of New York, head of the powerful Rules Committee of the House of Representatives—which, in the case of reorganization, used the President's own weapon against himself—tops the list of candidates for the President's personal "revenge."

Elected to Congress in 1923—years before Roosevelt was thought of for the presidency—and re-elected by the people of the 16th district of New York eleven times, Mr. O'Connor is now "slated" to go because ON ONE OCCASION he dared to oppose the President's will. Representative O'Connor accepts the challenge.

In a radio address to the nation the other night, Mr. O'Connor said: "The responsibility of a Representative *is to the people of the district he represents and to his country*—not to the President of the United States.

"There are still some of us," he reminded his radio audience, "who have not forgotten that our forefathers fought a revolution to escape from one-man government. They established a tripartite Government of the people's Congress, the Executive and the Court—all EQUALLY responsible and independent heads of the Government."

Are they still independent?

Fresh in the mind of everyone is the President's attempt to pack the Supreme Court with young yes-men who would go along with his plans for changing the government, to conform with some as yet undisclosed pattern of New Dealism. Equally clear is the thwarted attempt to emasculate Congress by a reorganization of executive powers.

Do the people want that?

That will be the issue in the administration's campaign to stop the re-election of Congressman O'Connor of New York, Senator Tydings of Maryland and Senator George of Georgia—all veteran battlers for the party who happened ONCE TO DISAGREE with what the President wanted done.

Presidential Precedents

"The Hon. Mr. Roosevelt is no more bound to follow Washington in retiring two years hence than he is bound to follow Washington in wearing a wig or keeping a distillery." So writes the Hon. H. L. Mencken entertainingly, as usual, in his *Baltimore Sun*. Mr. Mencken, who is a much better writer than he is an editor, is also a realist. He continues:

"If you hear within the next year or so, that he (Roosevelt) has suddenly borrowed Washington's wig from the National Museum and is preparing to retire to the Aryan half of Krum Elbow and open a distillery, it would be sufficient notice that he thinks the jig is up . . . "

While the nation is not obliged to follow any precedents set by the founding fathers, there are still traditions of Americanism to which the nation would cling. General Washington, incidentally, had some mighty strong feelings about the propriety of interfering in the people's choice of their representatives. Under date of Sept. 26, 1792, while he was still President of the United States, the "Father of His Country" wrote to John Francis Mercer, a candidate for re-election to Congress, somewhat as follows:

"I do not scruple to declare to you that I was not a little displeased to find a letter from Capt. Campbell to a gentleman in this neighborhood, that my name had been freely used by you or your friends for electioneering purposes, when I had never associated your name and the election together; and when *there had been the most scrupulous and pointed caution observed on my part, not to express a sentiment respecting the fitness or unfitness of any candidate* for representative that could be construed, by the most violent torture of the words, into an interference in favor of one, or to the prejudice of another.

"Conceiving that the exercise of an influence (if I really possess any) however remote would be improper; *as the people ought to be entirely at liberty to choose whom they please to represent them in Congress . . .* "

"Other times, other customs!" quips the *Wall Street Journal.*

The Broadcasts Are YOURS

GRATEFUL acknowledgment is always made by Father Coughlin to the millions of listeners whose support makes possible the yearly radio broadcasts.

These broadcasts are in every sense yours. Your contributions make possible the costly contract commitments for time over radio stations; your interests—not his own—dictate the subject matter of the broadcast series.

Elsewhere (page 23) in today's SOCIAL JUSTICE the point is made of the disinterested nature of Father Coughlin's position. He is not seeking political office; he certainly is not out to make money. He has no ax to grind—he can afford to speak the truth! For 12 years his broadcasts have turned the searchlight on the nation and brought out the facts.

In order that these broadcasts may be more completely yours, SOCIAL JUSTICE, beginning next week, is giving our readers an opportunity to express more definitely their desires regarding the broadcasts.

Over what radio stations do you want to hear Father Coughlin?

On what day—Sunday or some night during the week?

What period is preferred—a half hour discourse or a full hour, with possibly some organ and vocal music from the Shrine of the Little Flower?

These and other questions will be submitted with the opportunity for you readers to tell Father Coughlin clearly what you want. Be thinking about them.

Watch for this questionnaire in SOCIAL JUSTICE next week.

Farm Revolt Wins

News item: American farmers may sell or feed all the corn they produce this year.

IN a Democratic country that is at base an agricultural nation it becomes NEWS when a grower may dispose of his own crop.

Secretary Wallace of the Department of Agriculture announced last week that no steps would be taken to set up marketing quotas on the 1938 corn crop.

The decision is a victory for the Corn Belt Liberty League, headed by Tilden Burg, of Sciota, Illinois, who led a farmers' revolt against plans of the A.A.A. to padlock midwest corn cribs; the padlock being the 1938 version of prosperity by destruction.

"I think Wallace knew he would be unable to get the two-thirds majority vote in any referendum in the commercial corn area, that would be necessary to make the marketing quota effective," was Mr. Berg's comment on the department's decision. He added:

"League members and other farmers who planted corn to suit their own needs are going to be mighty proud of the extra crib of corn they will be able to harvest this Fall from the 'forbidden acres.' We will now have plenty to feed our livestock, and if any is left over it will keep. It will come in handy next year if we should have a short crop, as we did in 1934 and 1936. We might have some corn to sell unfortunate farmers who followed Washington orders and restricted their acres."

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Week in the Nation

WASHINGTON

Dies Investigators Uncover Reds

THE CAPITAL limelight, which ordinarily goes to campaigning politicians at a time like this, has been taken over by the un-Americanism investigators on the Dies committee. Congressman Martin Dies of Texas, who got himself appointed to head the committee in the closing days of the last session, has not for one moment forgotten the purpose of his investigation, much to the chagrin of our subversive elements.

Unlike the Dickstein committee which confined its alien investigations to the Hitlerites, the Dies committee has gone further, and the nation is at last getting a knowledge of what is going on, though it is not likely that Congress will follow the Dies disclosures with action.

Various and sundry facts which should startle an apathetic public have been brought to light. The committee has been told that:

One of the best agencies through which Communists carry on their propaganda is the League for Peace and Democracy, which is organizing Government officials, and to which many important Government officials already belong.

The Communist party has agreed in council that the "best way to get Communist party members in office is through the unions organized by John L. Lewis, C.I.O. chairman."

The C.I.O. has 284 Communist party members on its payroll, and a total of more than 500 Communists and sympathizers in key places.

That the much-talked-of John L. Brophy led a dual union movement within the United Mine Workers for several years, and was a member of a delegation to Russia which was sponsored by the Communist party of the United States and approved by Moscow.

The United Furniture Workers of America, a C.I.O. affiliate, has as its president, Morris Muster, a known Communist.

Similarly, the Fish and Cannery Workers International Union, International Woodworkers of America, United Cannery, Agricultural Packing and Allied Workers of America, United Office and Professional Workers of America, Department Store Employes, Fur Workers' International Union, all C.I.O. affiliates, all have Communists as their most important officers.

Wyndham Mortimer, recently expelled from the U.A.W. for communistic tendencies, was elected as a member of the central committee of the Communist party at its New York convention, under the party name of George Baker.

Harry Bridges, Communist C.I.O. leader on the west coast, in this country illegally, received aid and advice from officials of the Labor Department while patriotic citizens were trying to have him deported for his communistic activities.

All phases of radical and communistic activities are rampant among the studios of Hollywood.

A large number of Hollywood motion picture stars are strongly opposed to all this subversive activity. One prominent star said that *if he spoke out loud about the situation, a campaign of vilification would be started against him to ruin him with the public.*

Communistic activities in the field of youth and education on the Pacific coast is widespread, especially among the publicly supported colleges.

Another startling piece of information was given to the committee concerning the tactics of Communist instructions. The documentary evidence disclosed that this "political party" conducts a school for sabotage at which instructions are given on:

The kind of foreign matter, which if dropped in paint, will cause it to peel and corrode;

The effect of dropping phonograph needles in dynamos;

How steel dust placed in oil damages bearings;

Burning out of bearings by failure of oil supply;

The best way to burn out boiler tubes;

How to disable a steering gear.

All of which should have a particular significance in view of our many airplane and other transportation disasters.

POLITICS

New Deal Insists Upon Georgia Purge

THE era of "good feeling" and "no reprisals," which failed to materialize as promised by prophetic Jim Farley after the 1936 elections, is now deader than old Scrooge's doornail—felled by the purgative ax of a patronage pandering politician. Nothing that the New Deal has done in its 6½ years of exploitive experimentation has gone so far to disclose its real desire to dominate, as does the purge marathon being personally undertaken by the President of the United States.

His rambustious "second march through Georgia" pleased many of the natives little more than another trip in that direction taken back in 1864 by a fellow named Sherman. Mr. Roosevelt called upon God to bless Purgee Senator Walter F. George (a-gentleman-and-a-scholar-but-no-friend-of-mine), but placed his own benediction upon the head of New Deal protege Lawrence Camp. It is the first time in memory that a President has suggested that the local voters choose between his candidate and God's. God did not comment, but Senator George did.

In accepting the challenge, the fiery Georgian declared:

"The Federal power cannot be rightly used to elect and defeat any candidate in a sovereign state for any office solely in the keeping of the people of that state."

Referring to his place on the blacklist of the Communist party and the C.I.O., Senator George said: "I wear as a badge of honor, and will wear it to the end of my days, the condemnation of the Communist party at its tenth annual convention in May of this year. I wear as a badge of honor the condemnation of Labor's Non-partisan League—so-called—that communistic group of John L. Lewis."

As if the Presidential plug were not enough to inspire Georgian voters, Mr. Harry Hopkins has just arranged for the addition of 200,000 southern farmers to the W.P.A. payrolls. *It was explained that the voters of Georgia and South Carolina will have a chance to get their money before they vote or shortly thereafter.* Just why the money is suddenly being poured into these states is a matter of question.

"God bless you, Walter, let's always be friends!"

—The Washington Post.

However, the voters of Texas may be able to explain the situation, and it *does* have something to do with politics. Texas will be remembered for its refusal to renominate New Deal warhorse Maury Maverick, the C.I.O. friend. Senator Sheppard and Representative Dies called upon the President the other day to ask for $5,500,000 for Texas to build a P.W.A. Rockland dam in the San Angeline River.

"Sorry," was the New Deal reply to the representatives, *"Texas has used up all its P.W.A. share!"*

O'Connor Also To Face Firing Squad

The fighting Irish in John J. O'Connor, chairman of the House Rules Committee, and leader of the House fight against the reorganization bill, will keep the "purge" from becoming a one-sided affair in New York.

Armed with nomination by both Democrats and Republicans in his district, O'Connor is ready to fight presidential endorsee James H. Fay who has also the support of La Guardia's Labor party and the Communists. O'Connor's defeat for re-election would mean that the chairmanship of the powerful Rules Committee would go to New Deal satellite Sabath of Illinois.

To Mr. Roosevelt's intervening remarks, Representative O'Connor replied dryly that the President does his voting in New York's sixth district and suggested that he confine his comments to his own voting booth.

Although a veteran, Fay will not get the support of the Veterans' Voters League. "In your efforts to defeat Mr. O'Connor," Dr. Edward T. Curran, national commander of the league wrote to Fay, "we hold you to be an enemy of true Americanism. We must do everything in our power to defeat a confessed New Deal rubber-stamp."

"All Moonshine," Says Michelson

Charles Michelson, publicity director for the Democratic National Committee and associate of radio station WLW, has called talk of a general purge of anti-New Deal Democrats "all moonshine."

"President Roosevelt himself was not elected unanimously," admitted Michelson. "Nor is it likely that all of these Democrats listed as administration opponents will be defeated either in the primaries or in the elections."

LABOR

LaFollette Group Again Aids Lewis

THE much wondered at friendship between John L. Lewis, the C.I.O., and the recognized head of "big steel," is again bearing fruit, as the civil liberties committee, Lewis associate, continues its war on "little steel." The La Follette committee is still at its task of trying to prove that the strikers' riots in Chicago and Youngstown were justified, and that Republic Steel is the big bad wolf of industry.

The trial, which lasted four weeks, was characterized by a series of witnesses, mostly C.I.O. organizers, who testified to the injustices of the industrial management. The attorney for the defense who had repeatedly sought to bring witnesses on the other side of the case, was refused permission to summon them. However, Chairman La Follette allowed them to submit affidavits which he said "would be included in the record of the hearing, if the committee found them to be essential to the evidence." In his prepared statement, Tom Girdler, president of Republic Steel, said there was "an undercurrent of rumor for months that because our company signed no contract with the C.I.O., the real purpose of the present session was to smear Republic Steel and whitewash the C.I.O."

There is little doubt that many of the charges made by the employes against the company were true. There is likewise little doubt that some of the company's grievances against the C.I.O. were justified. What is regrettable is that a committee operating under the Federal Government, and which purports to be impartial, should have gone so far out of its way to exhibit a bias and one-sidedness, which would not have been necessary for the C.I.O. to win its arguments. It has again proven that the La Follette committee exists primarily for the protection of the C.I.O., and only secondarily, if at all, in the interest of the civil liberties of workers and industries not so affiliated.

Workers Still Kept Unemployed

Philco Radios may not always mean "made in Philadelphia" unless something is soon done about C.I.O. interference in the strike situation there. James Skinner, president of the strike-bound company, so wrote to Mayor Wilson of Philadelphia, stating that the company cannot keep its plants in Philadelphia unless it is given full protection of its workers, their families and their homes. He referred to the violence and threats that have been inflicted on the employes since more than 50 conferences were being held to reach an agreement. The plant, which has employed as many as 13,000 persons, was closed last May 1 because of labor trouble.

The Philadelphia corporation was the first radio manufacturer in the country to sign a closed shop contract. The locals were then members of the A.F.L., but have since become affiliated with the C.I.O. Although the majority of workers are willing to accept the company's agreement, the shop stewards and union officers have refused to submit the agreement to a vote of the whole membership.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Week in the World

MEN and EVENTS

Armed Europe Marking Time

THE fateful thirteenth of August—"der Tag" of war fame—came and passed and Peace continued to look out from her precarious throne upon a civil war in Spain and an undeclared war in China as she resisted an invading Japan. Like a sword of Damocles, a new European conflagration stills hangs by a thread which no one has the temerity to cut.

France hesitates to invade Germany in order to "protect" Czechoslovakia. Russia has Japan to watch in the East and would prefer peace until the Soviet consolidates internal affairs which are wretchedly below militaristic par. Great Britain isn't ready to fight until her armament program has reached higher levels and so has given little encouragement to those who talk of war. Germany knows she will get either all or a good part of Czechoslovakia so she can afford to wait. The complete absorption of Austria, especially economically, will keep her occupied for some time.

The latest move in the Czechoslovakian situation appears to be a concerted drive by German, Hungarian, and Polish officials to prove that the "little island of Democracy in a sea of dictatorships" is being overrun by Communism as a result of the "military alliance" between Moscow and Prague.

Hans Krebs, Sudeten German district leader, sounded this offensive in a recent speech in which he said that Germany would regard Czechoslovakia as "an enemy of Europe" until she broke her special bonds with the Soviet Union. He insists that Great Britain's mediator, Viscount Runciman, take this into consideration inasmuch as the problem of Czechoslovakia was "insoluble" until a liquidation of the "alliance" was effected.

Powerful interests in the three countries which almost completely surround Czechoslovakia — Germany, Hungary, and Poland—are accused of a plan to partition Czechoslovakia, the Sudeten territory to go to Germany, the area inhabited by Magyars to Hungary, and the small provinces in which Poles predominate to Poland.

Krebs' speech is supported by a new book entitled *"The Betrayal of Europe,"* by Karl Vietz, in which Moscow is shown to be using Czechoslovakia as a stepping stone for the spread of Communism throughout Europe.

In the meantime, Lord Beaverbrook, publisher of the biggest dailies throughout England, pours oil on the troubled rumors of war with the flat statement that "There is no basis for this dread of war. Germany cannot and will not march into Czechoslovakia. It is not the same thing marching into Austria at all."

ENGLAND

Earl Baldwin Sorts State Papers

EARL Baldwin of Bewdley, former Prime Minister who was successful in ousting Edward VIII from the throne of Great Britain at the insistance of several interested groups, has been resting since his political retirement.

Last week a local horticultural show was given on the extensive grounds of his estate and Baldwin of

Stanley Baldwin, who "saved England from Edward," is spending some quiet days burning private papers whose contents might "hang anybody."

Bewdley gave a talk. He told his listeners "I am going to give speeches a rest. I shall do a job I wanted to do last year, but could not. I am going to go through my papers for the last 18 years. Those papers are reposing in a tin box, and if there is anything in them which will hang anybody, then I will destroy them . . . It will keep me quiet for three months."

At least, it can be said that the Earl indulged in a frankness not permitted him as an official of the British government. In more than one little tin box throughout the world are papers which would cause wholesale hangings in high places if their contents were ever revealed to a gullible world.

SPAIN

Christian Principles Mold New State

BILBAO, SPAIN — Despite Leftist propaganda in the press of the world regarding the civil war in Spain, it is becoming increasingly evident that General Franco is weaving the principles of Christianity into the foundation for the New State.

Since the publication of the organic law in February, the structure of the new Spain has been planned with strong and definite strokes. The national government has been established and each ministry has undertaken the organization of its respective task. The ministry of the interior undertook an energetic campaign against any rise in the cost of living, and in order to prevent war profiteering, has kept the cost of the necessities of life at a prudent level. This policy was intended also to prevent any monetary inflation.

General Franco has promulgated a new law making obligatory family allocations which, together with participation in profits and the social security contained in the labor law, puts into practice important principles of Christian sociology.

These family allocations, or subsidies, are independent of the just wage paid the worker according to his skill, and are intended to prevent the mother's employment outside the home, in factory or shop. The amount available to each family depends upon the number of children. The state, employers and the workers themselves, will contribute the money. The state already has set aside 5-million pesetas out of the 20-million pesetas surplus from this year's wheat service.

Another important development has been the creation of Magistracy of Labor which will sit in judgment on conflicts arising between capital and labor, seeking to minimize any possibility of class conflict, strikes, and other phases of antagonism between employers and employes. The establishment of Christian principles has been uppermost in the minds of those who have been instrumental in promulgating the new labor regulations.

In March of this year the Minister of Justice suspended divorce cases and annulled this law of the Republic. He also restored the crucifix to the courtrooms and re-established the religious oath for magistrates and judges which had been abolished by the Red government.

The chief of the National Service of Primary Education ordered the restoration, in full, of religious and patriotic education in the schools and removed every trace of the tyrannical decrees of the Red government which had sought assiduously to uproot religious training.

In May, the return of the Jesuits was authorized and a committee was appointed to consider the restoration to the Society of its properties and buildings. At the same time, the payment to individuals of interest on the public debt was re-established.

The Minister of Agriculture has ordered the cultivation of corn and wheat and its domestic marketing, thus settling a serious economic and social problem among the farmers and cattle-dealers.

One of the most significant creations of the New State of Spain is the social service regulations for women which obliges all Spanish women between 17 and 35 to contribute part of their services to the various social welfare organizations of the State for a period of six months.

Hospitals care for the wounded and give other social assistance to the soldiers, but it is the Auxilio Social that is doing an excellent task in caring for the civilian population, particularly the children, in the liberated regions.

At present, the Nationalist government under General Franco has diplomatic recognition from seventeen countries, and the Vatican has established a nunciature at Burgos. Moreover, 37 of the 47 provinces are in Nationalist hands, leaving only ten in the hands of the Red government at Barcelona.

The tide of battle continues favorably for control of the remaining provinces with General Franco. He is at this writing within 22 miles of Almaden's rich mercury mines in Southwestern Spain and continues to capture large quantities of American, Russian, French and British munitions.

Richard Archbold, son of Rockefeller's partner, is "hunting birds, mammals" etc., with 110 men and 30 tons of equipment, in territory where an oil find would be tremendously important.

An official communique from the Nationalist Headquarters of General Gonzalo Quiepo de Llano declared that seventeen tanks and thirty-three field guns of American manufacture had fallen into their hands since the start of the civil war together with 630 machine guns, 3,430 rifles and 11,700 shells.

The communique also listed 404 Russian tanks, 60 million Russian cartridges, 405 French field guns, 410 French submachine guns, 16 million British cartridges, and 11 million cartridges supplied by Mexico, most of the latter worthless.

DUTCH INDIES

110 Men Whale of a Bird Hunt!

HOLLANDIA, Dutch New Guinea—Richard Archbold, Research Associate of the Department of Mammals, American Museum of Natural History, sends back word to the world of his expedition "to study mammals, birds and plants."

In a copyrighted article to the *New York Times,* Archbold says "Over a period of ten days, 110 men and thirty tons of supplies and equipment were transported approximately 180 miles into the unexplored interior of New Guinea by the twin-motored flying boat . . . the airplane is the one in which your correspondent and five companions crossed the Pacific Ocean early in June from San Diego, California to Hollandia...From what has already been accomplished, and from what we have learned about the country in the last few weeks, indications are that the final results of the present expedition will far exceed our most sanguine expectations."

Richard Archbold's father was one of the closest associates of John D. Rockefeller, Sr. It would not surprise us in the least if the real purpose of this expedition was a search for oil. After all, 110 men and thirty tons of equipment is an awful lot to search for birds, plants and even mammals!

New Zealand Hunts Oil, Too

WELLINGTON, New Zealand —The hunt for "flowing gold" continues with the recent announcement that the New Zealand Petroleum Company has been formed with Rockefeller backing through Vacuum Oil and California Texas Investments, Ltd., and other formidable interests. At present, the nearest source of oil supplies is the Dutch East Indies, and New Zealand needs it both for her highly mechanized farming machinery as well as for her shipping needs, not to mention military purposes.

Oil is known to exist in the rich milk-farming country of New Zealand where the grass is often like velvet lawns and the price per acre runs into thousands of dollars, and this has caused the smaller prospecters to falter. In any event, American capital, from the Rockefeller millions, will develop the natural oil resources of this country.

With the expansion of Japan, it would be too bad to explore and develop gigantic oil resources, only to have them confiscated at some not too distant date.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

I search for TRUTH *in* RUSSIA

By

SIR WALTER CITRINE

Some Observations of an Intelligent English Visitor to the Kirov Engineering Works Are Recorded in This Authentic and Critical Diary.

Throughout his recent visit to the Union of Socialist Soviet Republics, Sir Walter Citrine kept a detailed diary of his observations. He set himself to see things for himself, constantly and subtly questioning the propaganda which the Russians offered him.

His book is the work of an intelligent, sensitive, sympathetic, yet critical and ironical Englishman, whose mind never stops working for a second. Some readers may have to look twice at what the author has to say to see the subtleties behind it, but all will find his book highly informative reading . . . stimulating and revealing. Pages 48 to 59 are reproduced herewith as a sample of what it does contain.

SOCIAL JUSTICE invites its readers to avail themselves of the opportunity of reading this informative volume, which may be obtained from the publishers, E. P. Dutton Company, Inc., 300 Fourth Avenue, New York City. It sells for $3.

EWING GALLOWAY

SATURDAY, September 21st, 1935. At the Kirov Engineering Works.

We went this morning to the Kirov works, formerly known as the Putilov factory, well known in pre-Revolutionary days for armaments manufacture. We drove through the Kirov district again, passing once more that wretched property of old wooden houses, many of them still occupied, and saw several queues of drab women waiting with jugs, jars and bottles outside the co-operative stores.

It was now 11 A. M. and we saw, in addition to these queues, many workers standing waiting to buy vegetables and fruit which were offered from street carts. Some people were buying from hawkers' barrows, and it was hard for me to reconcile myself to the idea that these were State depots. We passed the Universal Store, which is a fairly large ship of two stories, but I had no time to get out to examine the goods and had to leave that until later in the day. The roads in this district were made of stone setts or cobbles and it should be fairly easy for the Soviet when the time is opportune to make them into good asphalted roads.

We turned off from the main road into a side street, and found ourselves outside the Kirov factory. There was some waste land opposite the factory, and the management had made an effort to make a green border of grass and trees down this road. We were admitted into the factory after a guard, armed with rifle and bayonet, had satisfied himself as to our credentials. We crossed a fairly large square and my attention was called to the gardens which had been put there. I asked whether these existed in pre-revolutionary days, but I was assured that this development had taken place only since then. The trees in the square seemed at least fifty years old. In every part of the factory, wherever possible a green fringe had been introduced and trees planted round the walls of the factory, so as to shade its crudities from the eye. It will be a number of years before the full advantage is obtained, but the intention is admirable.

We went to an office and met the assistant commercial director, who was a member of the Communist Party. The head director was away on sick leave. He said that they now employed 30,000 people, of whom 8,000 were women. Their technical staff, including foremen, was approximately 3,000, or 10 per cent of the total. They were making tractors, heavy machinery, some locomotives and wagons, and they had built a few experimental motor-cars. They had eight categories of workers, and since the Revolution the factory had enormously increased in area, probably by 50 per cent. They had their own State farms helping to supply the workers with the food they needed. The average earnings were 250 roubles per month for the manual workers and 470 roubles for technical people. About 50 per cent of the workers were very young people, many of whom came from the peasantry.

I asked for actual figures of monthly earnings but could only get the hourly earnings. These were given in kopecks, there being 100 kopecks to the rouble. The hours were 175 per month with the exception of the foundry, where six-hour shifts were in operation, and the total monthly hours were 168. The earnings were as follows:

PIECE WORKERS

Category	Kopecks per hour
1	87.33
2	103.8
3	125.8
4	147.7
5	171.8
6	191.7
7	234.3
8	282.7

Time workers were paid a bonus for good work and also received a bonus on output.

TIME WORKERS—INCLUDING BONUS

Category	Kopecks per hour
1	66.7
2	78.1
3	91.5
4	111.3
5	133.8
6	155.5
7	182.1
8	226.1

We were told that the difference between the categories was about 20 per cent. They said they had so many untrained people that it was necessary to start them at the lowest categories. In perhaps three or six months they had them working on machines and doing some sort of turning or other. They had schools on the premises to train the workers, but it was clear to me that anything resembling our apprentice system was non-existent.

WHILST we were discussing earnings, I asked what the assistant director's salary was. I was told that he, as a member of the Communist Party, formerly had been allowed 800 roubles per month as a maximum. Next month, however, due to a recent decision, he was to receive 1,000 roubles. The chief constructional engineer, who was not a party man, received 1,800 roubles a month as did also the chief draughtsman. The ordinary draughtsmen were in five categories, the average earnings in the third or middle categories being about 700 roubles.

Workers on general unskilled work, which could not be put on a piece basis, received about 150 roubles a month. Even they were given task work and some of them received up to 400 roubles. I said I could not square this with the scales given me earlier, from which I concluded that a man in the highest category of time workers, receiving 2.26 roubles per hour for 175 hours per month would receive 395.50 roubles. The lowest unskilled, at 66.7 kopecks per hour, would receive 116.7 roubles per month. Only the highest category of skilled workers on piece-work paid at the rate of 2.827 roubles per hour, would get 494.7 roubles per month. Presumably, however, this high category included everyone, technicians, managers, foremen, as well as the highly skilled manual workers and draughtsmen. So, therefore, the average would be inflated for the manual workers. The lowest skilled categories would receive on piece-work 152.7 roubles per month. How then could they say that unskilled workers on task-work received 400 roubles?

They were frankly puzzled at this, and the commercial manager said something to the interpreter which was not translated to me, and we passed to the question of working hours and shifts. I repeated that I had received no explanation how the 400 roubles were earned by unskilled workers, and the commercial manager then remarked that 400 roubles for unskilled workers was very exceptional.

We went on to discuss shift-work and I was informed that the hours were:

HOURS OF WORK

First Shift.....8 a.m.—4 p.m.
Second Shift...4 p.m.—12 midnight
Third Shift....12 midnight—8 a.m.

One hour was taken for meals. Under the five-day week, there was always one rest day on the sixth day. I inquired whether those employed on shift-work received any extra payment for this. I found that the evening shift received an extra 12½ per cent after 10 p.m. and also the night-shift. This is included in the earnings which I have given. The true comparison with our British earnings would be not day-work only, but rotating shift-workers on piece-work which, in Britain, is usually paid from 25 per cent to 33 per cent higher than the day rates.

THEN we had a long discussion as to how the undertaking was financed. It was most confusing because it seemed that some figures were in current roubles, which they frankly admitted had depreciated during the period of the Five Year Plan. The

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

capital was calculated in 1926 roubles which were of higher value. The commercial director said that last year they had about 3,000,000 roubles surplus. Fifty per cent of this was paid to the State bank and the undertaking had no further claim on it. The remaining 50 per cent was at the disposal of the Director to utilize for welfare work. Fifteen per cent of the pay roll in this works was paid as an average to the Social Insurance Fund, but the actual percentage varied from department to department.

The capital required was supplied by the State. I pointed out that under this system it was impossible for outsiders to ascertain whether the industries were economic or not, as the capital charges were concealed in this way. The Director said that one of the difficulties was that in the middle of the Five Year Plan they had to pay far higher for their electricity than they had calculated. Consequently, they had to raise the prices of the commodities supplied by the factory although these were supposed to be fixed by the State Planning Commission.

We spent several hours looking round the different departments of the factory. My general impression was that the workers were working very hard, particularly in those departments where the conveyer system and very great mechanization was in operation. The speed of some of these girls bewildered me. They dashed about on electrically driven trucks at a reckless pace.

Like most Trade Unionists, I have an instinctive dislike of bonus systems, piece-work, and the rest of the paraphernalia which characterizes the speeding up of operations in modern industry. Well, here it was in the Soviet Union. They tell me that everybody who can be put on piecework here is paid on the basis of results. But that was the position in 1925, and I do not remember seeing anything comparable to this.

The management had done everything possible they could to mechanize the processes in accordance with the latest American practice. Ventilation, too, was as good as it could be. But nothing could make conditions really agreeable in such a place. The improvement in output will eventually reflect itself, no doubt, in a higher standard of life for the people. Still, I hope that when we arrive at the socialist state, it will be to find something which comes much nearer to Ruskin's conception of joy in work than seems to be possible here.

As I looked at some of these people working in the fierce heat at breakneck speed, I felt that they were spurred on with the knowledge that they were waging a war with poverty. Everywhere I could see exhortations to increase output. Those who succeed in doing so, are regarded as heroes and that, no doubt, also provides a great stimulus.

I was glad to get out into the fresh air once again. As we crossed the yard to visit one of the social centers of the factory, I came across some peasant women digging away vigorously, laying out some new gardens. They were working as hard as any navvies I have seen in England. We passed them and came to a fine restaurant and library, and later inspected a large recreation-room. Every department had its own restaurant and they were quite good on the whole.

I brought away with me several menus. The fare varied from a quarter of a rouble to 1.80 roubles. Some very plain cakes were priced at 75 k. or three-quarters of a rouble, which at our official rate of exchange would work out at 2s. 8d. to the foreigner! Clearly the value of the rouble is very different from the official exchange. Such a cake in England would cost 2d. or 3d. at the very highest. On this ratio, the internal value of the rouble would be somewhere between 3d. and 4d.

AFTERWARDS we visited the House of Culture belonging to the factory, but removed from it on another site. It was a very nice modern building, but the woodwork was shoddy. I do not think that the best materials had been used in its construction. There were many workers in the place when we entered it, at 4:15 p.m., and I was surprised to see so much dirt on their faces and clothes when presumably they had been given opportunities of washing in the factory. At least so our guide told us, and I remembered seeing some rather dingy shower-baths in one of the departments. There was a complete absence of privacy in these, and the same condition applied to the workers' lavatories. I really began to wonder as to whether privacy in these matters was an offense against Communistic principles.

Next we visited the creches, situated in old wooden buildings. We approached by a dejected avenue of slush and filth which we were assured would be asphalted next year. These buildings were quite unsuitable for the purpose, but the best had been made of them and the interior had been completely redecorated. There were pleasant rooms for the children, who were happy-looking and quite well cared for.

Then we went to a sort of polytechnic for those children whose parents were at work. This was used I think only during out-of-school hours. There were boys working at carpentry, others learning German, others reading studiously, others learning photography. One rather frail-looking little fellow was reading a fairy tale illustrated by colored pictures. Most of the other boys were pouring over some scientific or utilitarian treatise or other. Perhaps I am old-fashioned in such matters, but this little fellow seemed to be the only real child amongst the lot. It is not so long ago since it used to be regarded as bourgeois education to teach children fairy tales and I was glad to see this welcome change. We went into another room and saw some little girls dancing to a tune played by one of them on the piano. They were all very poorly clad, but they seemed happy and full of life.

Just outside a side-door, there was a narrow courtyard separated from the road by an iron railing. Behind this were a couple of dozen boys, playing football. All of them were wearing shapeless clothing made by mass production without any relevance to the size of the wearer. Their hair was cropped so closely as to be almost shaved and this didn't improve their appearance. They looked like the products of some of the worst slum districts in Britain. I was later told that this Institute could only deal with 500 children a day, so goodness knows what happened to the other children whose parents were among the 30,000 workers employed at the factory. The Social Insurance Funds subsidized this work to the extent of 400,000 roubles a year.

Next, we went to the Leningrad Hall of Culture, with seating capacity for 2,000 people in the great hall. It is a magnificent hall, fitted with wooden tip-up seats and built so that everyone can obtain a splendid view of the stage. The Moscow Art Theatre players were there this week and the prices for admission were from 3 to 10 roubles per seat. There were many anterooms in which cultural work was being carried on. We saw some delightful little girls being taught ballet dancing. They had already been under training for twelve months and they were still doing exercises, twisting and tossing their little bodies into every conceivable position to induce grace and flexibility. An old ballerina looked after them and seemed very kind and considerate.

We went to the cinema there for about half an hour, where a film—a Hungarian imported product, called *"Peter"*—was being shown. I thought it was decidedly second-rate, but the people thoroughly enjoyed it. The charge here was 1 rouble, and it seems to be the general charge for the cheaper seats.

The cinema was fitted with tip-up wooden chairs, and I was told that nowhere in Russia do they have the upholstered seats, such as in our British cinemas. I found the seats surprisingly comfortable. Our guides claimed that they were more hygienic than upholstered seats, but they smiled when I asked them did they apply that principle to their own homes. The seats in the Leningrad Opera House were well upholstered, so why not the cinemas?

AFTER this we went through the Universal Stores, immediately facing the Hall of Culture, and exploded the myth about the 5.60 to the pound roubles exchange. The goods displayed here were fantastically high in price, taken at the official rate of exchange. A string of beads which would cost about 1s. in London was here priced at 6.80 roubles, which works out at about 24s., whilst ladies' artificial silk blouses, and not very good quality at that, priced at 42.48 roubles, would cost about £7 12s. at the official rate.

In the evening my wife and I decided to go out unaccompanied to look around at our leisure. Just as we were leaving the lobby of the Hotel Astoria, we encountered one of the English passengers who had come over with us on the "Smolny."

"Have you bought any roubles yet?" he asked.

"No," I replied. "Nor have I seen anyone offering to sell them."

"I have," he went on. "About half an hour ago I was walking along that street round the corner when a man sidled up to me in the dusk. He asked whether I wanted to exchange any English money for roubles. I told him 'No.' Then he offered me one hundred roubles for a pound note. I again told him I didn't want to buy any roubles. But he wouldn't be put off and he offered me one hundred and twenty. He spoke good English, too."

"That makes each rouble worth about twopence, doesn't it?" I interjected. "That's a bit nearer its true value than three and sevenpence."

"That is right," my friend agreed: "but I didn't want to have anything to do with him."

"You were well advised," I said. "You don't want to get into trouble with the authorities. He might have been a police agent for all you know. But I shall have to buy some roubles sooner or later as there are a few things I want to get."

"But you can get them at Torgsin," my friend exclaimed. "They have a shop in the hotel and they will take English money."

"I have tried Torgsin," I replied, "and they haven't got what I want. I left my shaving-brush at home and it has been a perfect misery to shave ever since. I must get one soon."

Later I found that at the ordinary State stores a shaving brush, and a very common one at that, cost 6.50 roubles, which, at the official rate of exchange, worked out at about 24s. At the rate offered to my friend it would cost about 1s.

We were interested in peering in at the shop windows in the Nevsky Prospect. It was supposed to be called the October Prospect, but nobody seemed to take any notice of the new name. White bread we found priced at 2.20 roubles a kilo, which worked out at about 7s. 6d. The shops on the Nevsky were far more commodious and carried much more extensive stocks than any we had seen up to now. We saw many small cafes where people were drinking beer and vodka. Both cafes and people looked rather dowdy and we were amazed at the number of cracked window-panes, due, I was informed, to the shortage of glass in Russia. Perhaps the severe winter climate has some effect on the glass. Most of the shops selling food, looked bright and well-lit; they appeared to sell something like the same sort of food as the delicatessen stores that are so common in Germany.

It was about 10 p.m. when we visited these places and all the stores for sale of goods were closed, the only ones open being the food stores. The windows of these were full of canned goods, fish predominating, but there were ample supplies of cheese, butter, sausage and bread, as well as a little fruit, such as apples and pears.

One of the things that struck me was that I had not seen a single public lavatory in any part of this city, and I was told they scarcely exist in Russia. My wife said she had not seen more than three women wheeling perambulators. The women carry the babies—an old Eastern custom which they will get rid of in time. In the poorer districts there were few shops and these were definitely inferior to those we saw on the Nevsky Prospect, but then you always expect to find the best shops in the principal streets of the city.

My impressions up to now were that the streets were cleaner than when I was here in 1925. There were plenty of receptacles for waste paper and litter. They were asphalted in many cases; they had traffic signal lights; there were more motor-cars, although these were far from numerous. There were more tramcars and they seemed to be better kept altogether, but not yet up to London standards.

But the people? What am I to say? I could not say they are well dressed or even better dressed than when I was here last. The one exception which made me doubt this generalization was at the Opera, where I saw far more color than I had seen on the streets. I saw no traces of food shortage, and the people must have been buying more food than in 1925, when there were scarcely any shops open at all.

Back at the hotel again, I got to bed about midnight. In the early hours of the morning I was startled into alertness by the sound of a woman's screams. Rushing to the window I craned my neck forward and looked to the street below. There I saw a woman struggling violently and uttering piercing shrieks, as she tried to break away from two stalwart uniformed men, who were evidently arresting her. Soon the woman's shrieks were smothered. There was a deathly silence. There was no hasty throwing open of windows and protruding of heads to ascertain the cause of the disturbance. Nothing but an uncanny stillness.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Photo by--Acme

By John Devlin

PART TWO

In This Second Part of the Story of the Sadness of Relief, the Author Details the Heartsickness of Hunger, the Danger of Malnutrition, the Temptation to Communism and the Utter Hopelessness that Surrounds the Relief Client. What is the Answer? Will You Be Next?

WHAT would I do with the prescription Dr. Rowley had given me? How could I care for Joan? How could I extract from our relief budget even a few coins for necessary medicine to stave off the disease that threatened her?

So many little things already had to be squeezed out of that slender $7.10 weekly relief order—things we had to have; soap, bathroom paper, thread, shoe laces, matches. There wasn't anything allowed for these.

Joan and I discussed the prescription, both hating what it meant, hating what we'd have to do. Finally her clear grey eyes, a little shadowed, met mine. "Let's see our worker," she said.

I wouldn't let her come with me to the Welfare agency next morning. I wasn't going to let her be nauseated, her eyes brimming with tears the way they were the day we applied. I left my name at the little desk. A worker there took the card and told me to wait. I knew from experience now that I'd probably have to wait some time, and the man at the desk confirmed this. Mr. Thompson, our worker, wouldn't be in until after one—he was out on home calls. I tried to make myself comfortable on one of the inescapable park benches, and waited.

The waiting-room was, as usual, fairly crowded. The majority were women; some talking, some sewing, most just staring into space. There were a few men, one of them openly reading the *Daily Worker.* Another walked from one bench to another, circulating a petition. He handed it to me, and at the top was the name of a man high in local Communist circles, running for Congress.

I refused to sign. The man—a short wiry fellow with deep-set, smouldering eyes — smiled in amusement. "You'll be one of us, brother, before long."

Time inched slowly by. It was time for lunch, and the office staff left one by one. I could go home, but I might lose my place, and besides, if I didn't eat today, it would be easier toward the end of the week, when our check always ran a little short. I decided to stay.

Over in the corner of the room was a stout young woman, swaying to and fro slowly. Perspiration oozed from her forehead, and her eyes were closed. I glanced at her curiously, but no one else seemed to pay the slightest attention. They were all too deeply immersed in their own misery.

Suddenly there burst forth from her lips the most terrifying scream I've ever heard. The policemen rushed at her. Caseworkers, drifting in from lunch, surrounded her. The crowd in the waiting-room stood on benches, craning over the others surrounding her there on the floor. After a few minutes a police-car came screaming to the door, and the policemen bore her away, groaning, the car's siren dying away ominously in the distance.

It was not until long afterward we learned she'd had a miscarriage. She'd been sitting there since 7 in the morning—*waiting to be interviewed.*

Strangely, there was no mention of the tragic little incident in the paper. Sometimes I wonder if she died. There had been little bubbles of blood in the corners of her mouth.

As time went on, worry haunted Joan, and made the nights a long procession of sleepless hours for me. But the children were never given a hint of where their daily bread came from—nor did they complain of the absence of the little luxuries at table they were accustomed to have. If it were possible, we grimly determined that Tom, Kitty and Billy would never know their father and mother were dependent on charity. But it was bound to come. And when they learned, it hurt.

IT WAS one of those raw, wet March days when the hopeless lethargy of winter settles around your heart, and it seems that spring will never come. I was gazing out the window, determined to go down to the welfare office to beg again for W.P.A. employment. Kitty, just home from school, took my hand and lifted her foot for me to see.

"My sole, Daddy. It came off in school today."

I chuckled, as carelessly as I could. "I'll have it fixed right away. Maybe you'll have a new pair."

She looked at me somberly. "Don't get me a welfare pair, Daddy. Some of the girls have welfare shoes, and they're awful! Have these fixed."

I could not meet her eye. I took the last of Joan's Sheraton tea set to a pawn shop on Lake Street the next morning. The cash it yielded bought a new pair of shoes for Kitty and a pair of thick rubber soles, purchased at the dime store, for the boys. They were water-proof, at least. I glued them carefully over the old soles, trimmed the edges, but they had to be dried over the furnace in the basement for two days, and meanwhile the boys were out of school.

The kids were grand. In all these months they've never whimpered — even now that they know. When school is over for the day, though, I notice they come home immediately, never staying behind for that game of ball; nor Kitty for that last delectable bit of little-girl gossip. Somehow, something has stained them. They are set apart. They're on relief!

I never thought I'd live to see the day when sixty dollars a month would look huge to me. But even sixty dollars is a great deal more than the thirty-four that now must buy us food, gas, light, stockings, thread, soap and bathroom paper. If only my W.P.A. job would come through!

WHEN we're on W.P.A., of course, we'll have to buy our own coal—but it will mean a little new clothing for all of us. Joan has had only one set of underthings all winter, and they're hard to keep immaculate when washed out at night and worn again in the morning. The boys' sox are nothing but a vari-colored mass of mendings.

Those sixty dollars from W.P.A. won't cover the H.O.L.C. payments on the house—but even that won't matter now. All H.O.L.C. contracts bear a three-month limit on delinquency, and they posted a foreclosure notice on our front door the other day, for all the world to see. We still have nine months before we're evicted, because the court calendars are crowded, but believe me, we're staying. Just try to put me out before we're evicted! After all, I own $7,000 worth of that $9,000 home. After eviction—well, I guess we'll find furnished rooms somewhere.

I wish this miserable little tale could have a happy ending—but how could it?

What's wrong with us? What evil star directs the destinies of the richest, most powerful nation in the world to starve its citizens, moving from hovel to hovel in hopeless insecurity?

Is industry at fault? Certainly the almighty corporate surplus has been more important to the manufacturer than the children of his workmen. You can't raise a family on thirty dollars a week—even working every week of the year. You've got to have an annual, *living* wage; a wage you can depend on every week of the year! Let's get rid of huge corporate surpluses; let's have laws prohibiting corporation officers from voting huge bonuses to themselves.

But even industrialists are victims; victims of a vicious, tight-lipped, insane little group that controls the money of the world, wielding a power that transcends that of kings and presidents and emperors, blaspheming against the power of God Himself!

Why?

Because they buy and sell men's bodies on the slave-block of usury; because they have confiscated men's homes to the extent that only one in ten of our families owns its own home —debt-free. Because they have confiscated, by sudden deliberate contractions of credit, the little hoards we have placed in banks to care for our sicknesses and old age. They have taken away the ageless right of men to sink their roots deep in the land they sprang from and say: "This is my home. This good earth, God willing, will give me strength and nourishment until the time comes once more when I shall sleep in it."

Let the corporation lawyers mouth their pious platitudes about freedom of contract, about freedom of the press, and freedom of speech. As long as economic freedom is nothing more than a lovely myth *we're cringing, scraping slaves!* We have to be, if we want to eat.

I know.

I'm on Relief . . .

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE *Temptation* OF JONATHAN

By

GEORGE SYLVESTER VIERECK

Before America's entrance into the World War, George Sylvester Viereck wrote himself into a veritable frenzy advising America to "stay out of it." His militant pacifism made him in those days the butt of pointed cartoons and editorial jibes. However, the author has lived to see his harshest critics admit that his warning might have been weighed with greater care.

His best known recent work, "THE KAISER ON TRIAL," was written not to exonerate the Kaiser or to whitewash Germany, but, as he explains, to save America!

"THE TEMPTATION OF JONATHAN" is a parable that summarizes the great world debate between Fascism and Democracy. It is published in SOCIAL JUSTICE by arrangement with the author and the Christopher Publishing House, 1140 Columbus Ave., Boston, Massachusetts.

—THE EDITOR.

A PARABLE OF THE TOTALITARIAN STATE

HE WAS a very impressive gentleman, suave, and immaculately dressed, and he carried a cane with an ebony handle—perhaps to conceal a slight limp as he walked. His monocle and his pearl-gray spats seemed a little outlandish to Jonathan. He marked with slight annoyance the striped trousers, the cutaway and the silk hat. But something in the coal-black eyes like the dim reflection of far-off fires made one forget such sartorial eccentricities. Jonathan noticed the pallor of the man's face, intensified by his foppishly combed black hair.

The stranger stopped him.

"Maybe," Jonathan thought wistfully, "that swell's got a job for me or maybe he'll buy me a meal."

Jonathan was hungry. It was no fun to be jobless. He did not relish the thought of relief. The W. P. A. had eluded his efforts to inscribe his name on its roll.

The stranger beckoned the young man to follow him. Jonathan blushed. He resented the imperiousness of the gesture.

"What does he take me for? I'm not a bum, even if I ain't got no job."

Half imploring, half mocking, the stranger repeated the invitation. Driven by some uncanny compulsion, Jonathan obeyed. Maybe a job was waiting for him after all. And the gentleman with the gray spats took Jonathan to a high skyscraper overlooking the city.

"Did you bring me up here to show me the view?" grumbled Jonathan, trying to regain his ease with a jest. But the stranger only smiled and made a curious sign in the air with his cane. Suddenly the scene changed. The city Jonathan knew melted away.

"Am I dreaming?" he said to himself, "or am I seeing things? I'm not as hungry as all that——." And Jonathan saw a pleasant land of winding rivers, smoking chimneys and vine-covered mountains, criss-crossed by monumental roads.

"Young man, may I direct your attention to the fact that in this land every mother's son is at work?" said the stranger.

And suddenly the cane became a telescope and the stranger bade Jonathan look, and Jonathan looked, but the stranger held the telescope firmly in his own hands.

And Jonathan saw thousands of boys in field-gray uniforms, goose-stepping proudly. United by the spirit of comradeship they saluted a chief with sad, heavy-lidded eyes and small moustache.

"Must they all goose-step?"

"Yes, the obligation is universal."

"Huh—militarism," said Jonathan.

"It is no longer militarism, Jonathan, but service, a service gladly rendered to the community."

"How in hell does he know my name?" Jonathan murmured to himself.

"Precisely," said the stranger in reply to his unspoken question. "All things are known where I come from. Take another look."

Jonathan looked. And he saw young men like himself singing together, carrying picks and shovels, building highways, draining ditches, and wresting new wealth from the reluctant soil; and he saw eager girls, too, busy with multiple tasks in house and garden.

"You see, my dear Jonathan," the stranger explained, "all these young fellows and girls must give a year of their life to the State. The banker's son and the drayman's son, butcher and baker and candlestick maker, all ——without exception——learn the dignity of manual labor."

"Did you," Jonathan asked, "visit our C. C. C.'s? I'm half thinking of joining up."

THE stranger smiled superciliously, once more held out the magic glass. Jonathan saw the people of the South and the people of the North, and the people of the East and of the West in the land of the goose-step and efficiency, joining together like children dancing.

"You see," the stranger commented dryly, "I have wiped out sectionalism."

And again Jonathan looked. And he saw millions of hands cleaning up factories, painting the walls, opening the windows to let in air and sunshine, and fashioning gardens where the workers could have their leisure. And he saw halls where workmen and bosses had their meals at a common table.

"These people," the gentleman in the cutaway said, "have been taught that employers and employees are not natural enemies: both must serve the State. It's the common weal, not self-interest, that counts."

"But suppose," Jonathan retorted, "some of the bosses refuse to treat their workmen as human beings?"

"Such employers," the stranger replied sarcastically, "have plenty of time to concentrate upon the problem in one of the famous camps——called 'concentration camps' for that reason."

The stranger laughed, enormously pleased with his pun.

"There is," he continued, "much more to see. Since the workman will not go to the art museums, I bring art exhibits to his factory. Since he will not travel, and lacks the means if he would, I take him to every part of his country and to strange countries that he has never seen."

And Jonathan saw a fleet of ships, carrying workmen and their families to sunny lands where laurel and myrtle bloom.

"Who gets the swell cabins?" Jonathan asked.

"And the last shall be the first. The best cabins are given to those least able to pay. There isn't room for all, not yet, but I amply provide recreation for those who must stay home."

And at a sweep of the stranger's hand Jonathan saw huge stadia, alive with athletes——young men and old men, and boys and girls——engaged in all manner of sports.

"I summon them all," the stranger explained, "to teach them the secret of 'strength through joy'."

"And if they are sick?"

"I don't let them get sick. I send the country lads to the city and the city boys to the farms to quicken their minds and their bodies."

"My father had a farm," Jonathan said, "but it was mortgaged to the hilt and we lost it."

"I do not permit my farmers to mortgage their land."

"That sounds good," Jonathan said.

"I wish I knew more about it. But won't you let *me* hold the telescope for a minute?"

"Oh, no, no, no," said the stranger.

But Jonathan had already seized it and he looked, and this is what he saw:

A SCHOOLHOUSE with happy children. But they were not all happy. A small group of boys and girls with tear-stained eyes huddled in a corner. No one spoke to them; no one played with them. When the teacher addressed them, an inimical expression crept into his stern Aryan features. And when the other children rose proudly to salute the flag, these children—forbidden to honor the country that bore them—sat listlessly in their corner.

"What have these poor kids done?" Jonathan asked.

The stranger replied: "They have Jewish parents."

"Oh," said Jonathan, but he did not understand. "Where I come from we all played together and went to school together and nobody bothered much if we were Jews or Gentiles."

"That," the stranger replied icily, "is race pollution. Give me the telescope now."

But Jonathan took another look. He saw men of God with saintly demeanor walking gravely and sadly across the border; and great doctors, carrying their little satchels and their experience into strange lands. And wise men, with unhappy faces, abandoning their goods but not their wisdom, to go into exile with their wives and children.

And in the distance he saw a pyre, and it seemed to him as if his nostrils were stung by the odor of burning books.

"I don't like that very much," he said. "What crime have those guys committed?"

"They have committed the crime of thinking forbidden thoughts," the stranger explained. 'Besides some of them have grandmother trouble."

"What is grandmother trouble?"

"One of their grandmothers was a 'non-Aryan'."

That did not seem to make sense. Jonathan crinkled his forehead.

"Oh, I admit," the stranger conceded, "my system is not yet perfect, but it will be perfect when I have purged the land of all aliens. However, I have other things I can show you."

Again he waved his magic wand, the telescope, and Jonathan saw a magnificent city rising to heaven on seven hills; he saw mighty domes and white statues glistening in the sun, and up and down the streets he saw, marching and singing, boys and young men saluting a scowling man whose features he recognized from the movies.

"This, too," the stranger said, "is my kingdom. When I took hold of it, everyone lolled; now everyone toils and," he drew himself up proudly, "every train runs on schedule time. I no longer permit the idle chatter of Parliament; the industrial and political life of the country runs on schedule as regularly as my trains. I have incorporated everything in accordance with a theory too intricate for you to

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

understand. I plan for all and I think for all."

"I'd rather think for myself," Jonathan mumbled.

"Think for yourself and slave for yourself," snarled the stranger, and Jonathan remembered that he was hungry.

EXCITED by his own enthusiasm, the gentleman in the spats incautiously moved the telescope a little and Jonathan saw a sight not intended for him. It was a woe-begone group, mostly men with high foreheads, thinkers and dreamers, eating out their hearts on a desert island.

"Who is that fellow?"

Jonathan pointed to a scholarly figure, fingering a huge volume. The old man's eyes ran up and down the page continually, like imprisoned squirrels.

"That crank? He is a crazy old teacher looking for two words that I have struck from the dictionary."

"What are they?"

"'Freedom' and 'Individualism.' They are not needed under the new dispensation."

"Sez you," Jonathan muttered under his breath.

"And who are these fellows in chains?"

"They are foolish people who disagreed with me. But now no one questions my word!"

"You have no enemies——?"

The stranger chuckled. "My enemies are either dead or in prison."

"Well," Jonathan mused, "there is much that I like in this country, but——."

He did not finish the sentence.

"It is obvious," the stranger said, somewhat upset by the young man's recalcitrance, "that it is hard to satisfy you. But I have something to show you that may please you more." And again he made a few signs with his hands and murmured some weird abracadabra.

STRAIGHTWAY before Jonathan's eyes there rose high towers with golden cupolas. On the huge square, facing the golden citadel, young men and women filed past a strong, silent man whose fierce mustachios crept across his face like a black caterpillar. After saluting him with clenched fists, they entered a tomb to pay solemn tribute to a painted mummy in a glass coffin.

"These boys and girls," Jonathan reflected, "seem to be happy."

"Of course," the stranger interpolated, "I have liquidated their elders. The world belongs to them. It belongs to you. You cannot imagine," he continued, "in what a dilapidated condition I found this country in 1917. I have torn it straight out of the Middle Ages and catapulted it into the Twenty-first Century. You can almost hear the whir of the wheels, the boom of innumerable hammers in the factories, and the sound of myriad sickles as they cut ripe wheat."

All the while the stranger, made wary by experience, was holding on to the enchanted telescope. Jonathan stepped on his polished boots, as if by accident. For a moment, while the stranger readjusted his temper and his spats, the telescope was in Jonathan's hands. And Jonathan suddenly saw a red brick wall.

Against that wall were lined up rows and rows of men of every description, fine and foul faces and indifferent faces; some had been the most intimate comrades and collaborators of the painted man in the glass coffin. And, one by one, these men toppled over, and blood oozed out of their veins until it formed a rivulet, and from everywhere other rivulets joined and became a river, and the river became a mighty stream, and the stream overflowed its banks until it flooded the land.

But the man with the black moustache remained unperturbed; the man with the painted face did not turn in his glass coffin, and the children went on singing happily; wheels whirred, hammers boomed, and the sickles cut golden grain. And Jonathan read the lips of the singers and this is what they sang:

Arise, ye prisoners of starvation,
Arise, ye wretched of the earth!
For justice thunders condemnation,
A better world's in birth.

"Maybe," Jonathan said to himself, "it is a better world. But I have my doubts."

"You would have no doubts," the stranger insinuated, "if you were privileged to live in this happy land, the paradise of workers and peasants."

"Did you strike out any words from their language?" Jonathan timidly asked.

"Oh, yes, I edit all dictionaries; there are lots of words for which they will have no use until they achieve the ultimate ideal of Karl Marx. If I have not yet attained 100 per cent success, give me time——."

Jonathan listened thoughtfully, but said nothing.

"You must admit," the stranger argued, "that I have shown you marvelous accomplishments."

"Yes," said Jonathan, "I'd give my eye teeth if I could have some of these things and a square meal."

"You can have all these things," the stranger replied.

"What must I do to get them? I am only a poor guy out of a job."

THE stranger became very friendly.

"It's really nothing at all," he said.

"Aha," Jonathan thought, "now comes the catch."

"I will give you all these things if you will fall down and worship me."

"The hell I will," Jonathan replied. "I remember a story my mother read to me when I was a kid. There was someone else to whom you offered the kingdoms of the earth; you know what answer He gave you. I am a plain American and I am very hungry, but I'll be damned if I fall on my knees before any man."

The stranger looked at him pityingly. His coal-black eyes seemed deeper than ever.

"It is obvious," he sneered with merriless amusement, "that you are a very sophisticated young man. I concede my approach was a trifle old-fashioned. It really is not necessary for you to kneel down. All you have to do is to wear one of my shirts."

And suddenly, out of nowhere, appeared a box with an assortment of shirts. One was brown.

"That's a very fine shirt," the gentleman said, "and this one, too, is most becoming. Maybe you like black better than brown? And if you don't like this, how about the shirt with the hammer and sickle?"

"I don't like your shirts." Jonathan was emphatic.

"But my stock is unlimited; there is something to suit every taste." And he spread out his treasures before Jonathan. One shirt dazzled with gold; one was green like apples in the sun and one silver like shining coins.

"I refuse to wear any man's livery," Jonathan said. "I won't wear yours. I don't know who you are, though I have my suspicions."

The stranger was plainly annoyed. His coal-black eyes changed to volcanic pools shot with flames of many hues. But he governed his fury.

"My, oh, my," he replied. "Where *are* my manners? Permit me to introduce myself, Master Jonathan. I have many names. Asmodeus, Mephistopheles, Old Nick, Satanos, Prince of Darkness, Lucifer, Belial and Beelzebub. My Grandma used to call me 'Bub' for short."

It seemed funny to think of the tall gentleman with the silk hat as "Bub."

"She does not call me 'Bub' anymore," the stranger replied to Jonathan's unspoken thought. "Since she bobbed her hair she calls me 'Toto'—'Toto' is short for Totalitarian. And I still advise you, for your own good, to choose one of my colored shirts; they are most attractive."

A determined look came into Jonathan's eyes.

"There's only one whose colors I'll wear. I'd even put on a khaki shirt for her."

And he whispered her name.

Straightway the stranger disappeared, leaving behind him only a puff of smoke and the faint odor of sulphur.

In his place stood a majestic woman, wearing stars in her hair for a crown and holding a torch in her hand.

"I'm glad, Jonathan," she said, "that you have made your choice."

"Yes, Ma'm," Jonathan said. "I love you, and I'll die for you if necessary. But I notice some dark corners down there that your torch never reaches."

THE Goddess moved her gigantic arm. The torch, burning with new brightness, swallowed up all the shadows. And he saw millions of unemployed; he saw children working in sweatshops, and men in chain gangs and women faltering under their burdens. He saw great factories seized by lawless or deluded men, angrily denying their fellows the right to work; saw racketeers of labor and racketeers of capital; saw kidnapers, gangsters, shysters and corrupt politicians. Here and there, ignorance, snobbishness, greed and ill will, raised their heads.

"I don't like that," Jonathan said.

"Neither do I," said the Goddess.

"Can't we stop all this?"

"You can stop it," she said. "I will help you to clean up this mess, left behind because your fathers moved forward too fast. America was too busy building to sweep away all debris and refuse."

Jonathan mused.

"Giving the Devil his due," he said after a while, "I didn't want to let on some of the old boy's stunts were damned fine. But what gets me are those dictator fellows."

"Leave other people to solve their own problems: grant them the freedom to order their house in their own fashion," the Goddess replied serenely.

"Sure, Ma'm," Jonathan grinned. "I don't mind their dictating, as long as they don't dictate to me. But if they tried to get over here, oh boy!" Jonathan assumed the attitude of a prizefighter in the movies.

The Goddess agreed.

"But how," the youth continued, "can I get some of the good things he showed me, without waiting a lifetime?"

"There's nothing in his bag of tricks," the Goddess retorted, "that you cannot get and still remain a free man."

"Will you give these things to me?" Jonathan suggested enthusiastically. "A miracle——"

"No, Jonathan, expect no miracles. No man can be saved by a miracle, unless the miracle takes place in himself. If you want social improvement, you must pay the price."

"I haven't got the price of a meal. Where will I find the dough to pay for vacation trips, athletic fields, model houses and things of beauty unless I take them away from the rich or unless I can buy them with phoney money?"

The Goddess shook her starry head sternly; then, softly, she said:

"You can earn them by the sweat of your brow, without stealing or cheating or selling your soul to the Devil. If you and the other Jonathans will work together with all the men and women in these states, with the men at the head and the men in the ranks, there is nothing you cannot accomplish. You need a little patience, a little time, less than you think, and you need discipline—discipline, not imposed from without, but from within, discipline maintained, not for hate of your fellow men, of a race, or a creed or a class, but by love of me and love of your country. And by the way, Jonathan, don't forget to vote for honest men when you have a chance."

"I sure will," Jonathan cheerfully grinned. "I'll put my shoulder to the wheel all right. But, Ma'm, where will I find a job?"

He looked hopefully at the Goddess. But the Goddess had vanished. Jonathan was puzzled and disappointed. When he looked up, he saw her standing in the harbor, upholding her torch as of old. Its rays were brighter than ever and it seemed to him as if she were turning around to smile encouragement at him. He tightened his belt, braced himself resolutely, and suddenly he understood. And he bethought himself of a job, a job he had not wanted. He would take whatever work offered itself.

"After all," he murmured to himself, "*they* didn't have such an easy time that first winter, those guys who landed on Plymouth Rock in December, three hundred years ago. No houses, no anything, either. And just think what they did. What they did, I can do, I and the other fellows, and the girls, too, all working together, with love, not with hate, in our hearts."

The youth, in that epic moment, grew inches in stature. No longer a boy, but a man, Jonathan went his way with new self-reliance and a new vision, and new faith in himself and his country.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Acme

By

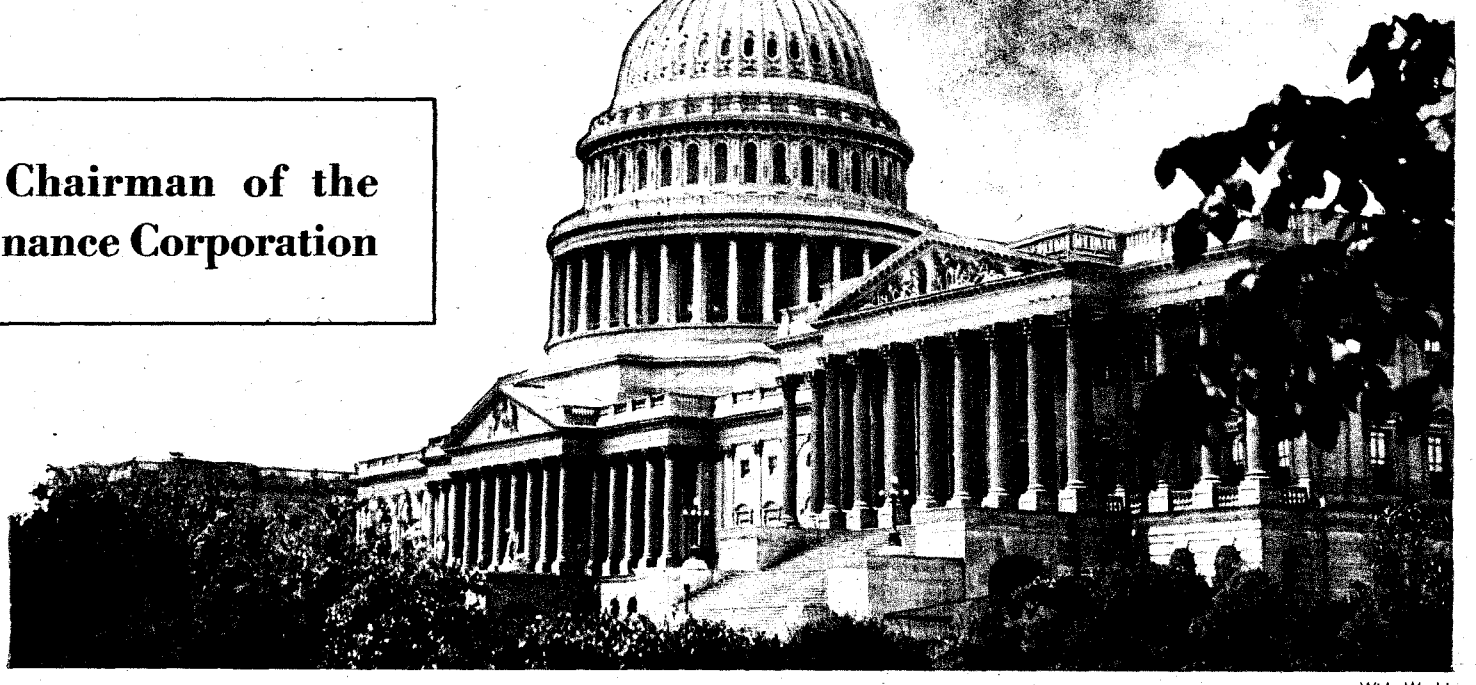
ROBERT H. HEMPHILL

INTERNATIONAL FINANCIAL AUTHORITY

The Unsound Loans Which Scare Banks Off From Lending Now Are the Same Type That Made Up 95 Per Cent of Commercial Bank Loans Before 1929.

THE *End*

JESSE JONES, Chairman of the Reconstruction Finance Corporation



Wide World

MR. JESSE JONES, chairman of the board of the Reconstruction Finance Corporation, recently advised the commercial banks of the nation that the Government would supply the financial needs of commerce, industry and agriculture unless the commercial banks came out of the trance they went into in 1929 and loosened up credit.

Immediately, the publicity bureau of the American Bankers' Association loosed upon the intimidated press of the nation a barrage of editorials and articles condemning Mr. Jones. All this bombardment of propaganda was printed by the newspapers as their own opinions so that it appears from every quarter that Mr. Jones is in the "dog-house" as far as the daily press is concerned.

What the average reader doesn't know, of course, is that the general run of newspaper editors know less than nothing about money and banking, but they either owe the local banks important money or their big advertisers do, and if they fail to publish such propaganda or offend the local bankers, it is just too bad for their advertising revenues.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

I have presented other angles of this current controversy in previous articles. The reason I write again on it is that at the moment I believe we are nearer to establishing an adequate and permanent monetary system than at any time since Lincoln's administration; maybe nearer than at any time since Jefferson's.

Since the founding of this nation, we have depended upon private banks to furnish our medium of exchange. I believe they will no longer function even for a limited period. It is of vital importance that this be generally understood.

Now comes Mr. Orval Adams, president of the American Bankers' Association, who says that the present depression is responsible for the current contraction in bank loans. Mr. Adams has the words and music all right but he is playing it upside down. If he will admit that the current contraction in bank loans is largely responsible for the present depression, he will come pretty close to the whole truth.

It was the sale of their Government bonds by the banks in the last months of 1936 and early in 1937 which started us downhill by decimating our demand deposits. Those who had credit in their checking accounts and bought bonds from the banks with it could not use the same credit to buy goods and services, and so the exchange of goods and services declined.

In January, 1937, I pointed out to officials of the Federal Reserve Board and to a number of Senators and Congressmen in Washington, just what was happening, and the certainty of the business slump which would follow, and suggested a simple measure which might stop the movement. The the bank would expect substantial reduction of your note at the next maturity. You were very lucky if the bank did not insist on its immediate payment in full. I imagine Mr. Adams sent out a good many of such notes. I would wager, with the certainty of winning, that his bank *is declining practically every loan now offered and has been declining all loans since a year ago.*

I recently saw some of these bank letters to borrowers and they were almost identical with the letters sent out by the national banks in 1921 (calling for payment of 20 per cent of all loans) which caused the 1921 depression. The total contraction of deposits in 1921 was almost identical with the shrinkage during the last 12 months and the drop in business activity and commodity prices is surprisingly similar.

Smart men who went through the agony of 1929-30 and were driven to bankruptcy and despair and almost to suicide by the implacable ruthlessness of the commercial banks, who, in ignorant panic almost destroyed the industrial, commercial and agricultural fabric of the country in an attempt to save their racket, will never be willing borrowers from banks again. It is useless for the bankers like Mr. Adams to indulge in pipe dreams of the return of Bonanza Banking. That era went out in that insane period 1929-33.

The value of this widespread controversy between Mr. Jones and the commercial bankers is that it is teaching the general public that the commercial banks are responsible for business expansion and for business contraction—for prosperity and depression.

their debtors to pay them in real money that they might pay the bank. It was a tragedy of ignorance. The whole structure of "deposits" never existed as real money. It was wholly imaginary. The promise of private bankers to do the impossible—to furnish real money which never existed.

And so we have gone on from one to another period of activity founded upon this impossible imaginary money of the private bankers, always facing the certainty of periodic breakdowns with their inevitable distress and bankruptcies, in almost incredibly blind ignorance of the simple causes of these periods of collapse.

And now we have come to the end of the "era of imaginary money," not because those few students who understand have been able to convince the general public; not because Congress has thrown off the yoke of the money trust and enacted sane laws for public control of money and bank credit, but from the sheer fact that this amazing financial phantasy, the commercial banking system—Humpty-Dumpty of our economic framework—has fallen off the wall and all the king's horses and all the king's men will never make it operate again.

Mr. Adams does not yet grasp this quite obvious fact. He cannot get far enough from his own bank to take a good penetrating look at it. But he will learn. He has already learned that it is suicide for a commercial bank to make "capital loans."

He will soon learn that these loans which he is declining today as unsound are the same type of loans which made up 95 per cent of the average commercial bank's loans prior to 1929. It isn't the loans which have changed—it is the banker. The illuminating period 1929 et seq. has given him a new slant at his own institution. (The collateral he called "securities" in the days of the big boom looks like horsefeathers to him now.)

The loans he is declining *are* unsound and they were unsound prior to 1929. The net proceeds of these unsound loans credited on the bank ledgers built up the great revolving fund of purchasing power which gave us our marvelous prosperity, but periodically wrecked the banking system. The bankers of a decade ago were living in a fool's paradise but they are saner now.

Officials of the Federal Reserve System discovered very soon after they began operation that under the most favorable circumstances there were never more than 2 billions of safe loans for the commercial banks. Just a nice portfolio for any two of our big city banks.

But even these two billions of safe loans are dynamite for the commercial banks. They cannot be collected without bringing on a business recession which would destroy 25 per cent to 50 per cent of the salable value of the bank's investment portfolio. Not only are the commercial banks' portfolios affected but the investment of the great savings and insurance funds — the security of the widows and orphans, are substantially destroyed by the foreclosure of a comparatively small amount of commercial bank loans.

I believe no other monetary student has developed this particular point. I will elaborate in subsequent articles, but this is the rock that will wreck any fractional reserve banking system.

The whole thing simply will not work, even when viewed from the narrow angle of the bankers' selfish interest. From any other angle, the commercial banking system is a continuous catastrophe—a mad bull in the economic china shop.

More anon . . .

OF IMAGINARY MONEY

Federal Reserve officers were aware of what was going on and where it might lead but appeared to believe they were helpless. The politicians just couldn't connect. The whole subject was too much for them, even with diagrams.

I talked to some of the big New York bankers whose banks were selling their Government bonds. They admitted the sales and resultant substantial shrinkage of demand deposits in their banks, but said they could see no connection with a possible business recession. I gathered that most bankers believe that depressions are caused by sun-spots or variation in cosmic rays or barometric pressure, or some other "act of God" phenomena.

Along about mid-summer, 1937, the banks discovered that retail trade was slumping and with their customary satanic ingenuity for doing precisely the wrong thing for the public good, they began calling and foreclosing their few commercial and industrial loans. Their loans to commerce and industry are now lower than at any time in this century—almost nonexistent.

If you were a borrower in 1937, I do not need to remind you of the polite but very firm note you received from your banker advising you that

Mr. Jones, a banker, says in effect that we cannot have prosperity unless the commercial banks will expand their loans to commerce and industry. Mr. Adams in his defense, admits in effect that this is true but says that the business men will not borrow, and that the banks can find no loans which are safe.

They are both right. *There never has been a safe commercial bank loan.* It has been a disastrous mirage for both the banker and the borrower. It is true that this amazing banking racket has been made to function for periods of as long as ten years without disaster, but never for very much longer. Periodically, the banker, forgetting the fact that the deposits on his ledgers have never been anything but imaginary money—just bookkeeping entries which he has fooled the public into believing were good money, payable on demand, was the victim of his own misrepresentations and faced a public demanding their deposits in real money—which doesn't exist—which never existed.

His only recourse was to foreclose on his borrowers. They too had been fooled. They had been taught to believe that they had borrowed money—real money, and they in turn pressed

ORVAL V. ADAMS

PRESIDENT OF THE AMERICAN BANKERS' ASSOCIATION

WIDE WORLD

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

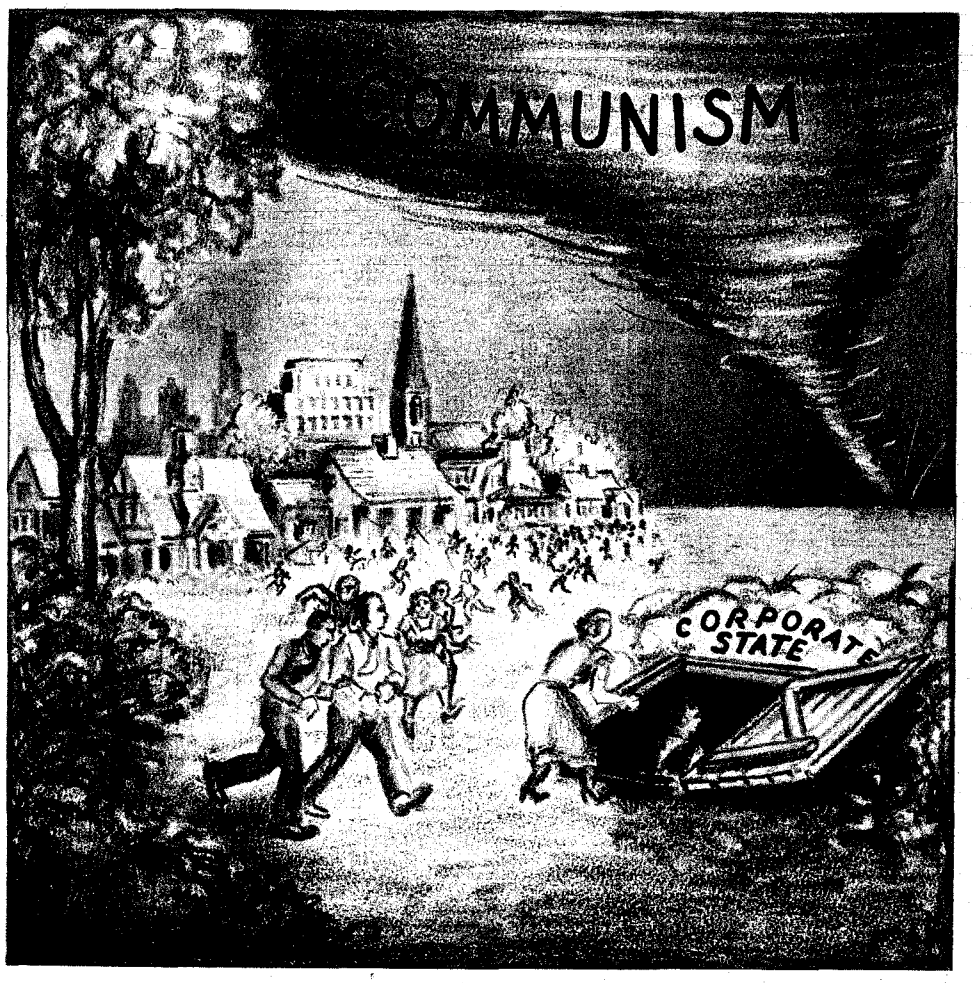
The Way Out

SUMMARY and CONCLUSION

By

HILAIRE BELLOC

The Restoration of Well Divided Property, and the Protection of Its Ownership by Guilds Under a Corporate State, Is the World's Alternative to the Quick Solution Through Communism — a Remedy That Would Be Worse Than the Disease.



LET us sum up the conclusions to which we have arrived.

The world today is sick of a mortal disease which we call Industrial Capitalism, but of which the true name is Proletarianism.

Men politically free have lost their economic freedom. The citizen in the industrial world is economically enslaved. He finds his position more and more intolerable through insecurity and the lack of all prospects. He has nothing; and is apparently debarred from ever having anything. He can live only as a wage-slave at the orders of others who have no moral authority over him, between whom and himself there is no human tie. *He is so placed merely because the instruments of his livelihood do not belong to him but to a minority who are his masters.* That condition cannot endure. It is already breaking up. We must find some "Way Out."

The troubles have come to apply not only to industrial conditions but to agricultural conditions as well, for the farmer is in the hands of the usurers, Industrial Capitalism having captured the instruments of credit. He can be relieved by forced action, by the arbitrary wiping out of debt; but that is not a permanent policy. There is nothing to prevent his falling again into the same miserable insecurity and destitution.

What is the *Way Out?*

The obvious *Way Out,* the line of least resistance, is Communism, but that is no true solution, *it is a remedy worse than the disease.* It was born of Capitalism, and continues the worst feature of Capitalism, which is eating up humanity and leading to servitude.

The true *Way Out* is by the restoration of property. We must work for the establishment of a society in which a determining number of families shall be economically free. There is no possibility of economic freedom without property. The alternative is clear and inevitable. Restore property or restore slavery; whether it is to be slavery in the form of slavery to the State and its officials, or slavery to individuals matters nothing, save that the latter is perhaps the less inhuman. The only alternative to the tendency to slavery first, and at last to barbarism, to the extinction of our civilization, is to re-establish property, and with it the freedom and well-being of the family.

The instrument whereby well distributed property may be restored is the Differential Tax. It needs no revolutionary legislation. We have it with us already. All it needs is its proper application. The Differential Tax should be used for the purchase of property for the destitute, for their establishment as owners and for the dislocation of the present vast accumulations of property in few hands. There is no necessity to aim at economic equality. It is not even advisable. It is not *some* difference in fortune that men find intolerable. What men find intolerable is destitution and their consequent subjection to other men and exploitation by them. What men find intolerable is the arbitrary subjection to another's will.

THAT property can be restored, and with it the dignity and freedom of the family is certain; but the effort will be useless unless we make the fruit of it permanent. Well divided property, a society the tone of which is everywhere given by the presence of owners in a determining number, is within our grasp. A simple general policy would suffice to create it: gradually, of course, but certainly. It is no use, however, working on these lines unless property, when it shall have been restored to the many, shall be rendered stable.

The institution necessary for rendering well divided property stable is the Guild. In the place of impersonal and uncontrolled competition we must establish the rules and organization of the Guild: the Corporate State.

By the Guild we can re-create and defend the independent farmer, the independent craftsman, the independent distributor. The Guild cannot arise in a madly competitive society dominated by vast units of concentrated capital unless it be protected under a charter from the State. Its powers of self-government, its rules for production, distribution and exchange —rules framed by, and obeyed by, its own members must be guaranteed by public charter.

Further, there must be links between the general authority of the State and the authority of the Guild. We must have the Guild, not only in production, distribution and exchange, guaranteeing the livelihood and independence of citizens who are also owners, we must have the Guild in the operation of credit as well. Credit must be co-operative if well-divided property is to be secure. The institutions controlling credit, separate from the interests of those to whom such credit is extended, are tyrannical institutions; they make of credit an instrument of prey.

The Guild everywhere — the very opposite of Communism and the great means of escape from Communism— is the watchword. There is but one exception. Certain inevitable monopolies and public functions must be under public ownership and control. The economic power of the State must be admitted for the very purpose of establishing economic freedom of the citizens and their families. The authority of the State is necessary for the maintenance of corporate industry and the corporate rules governing and securing agriculture as well.

There you have the Corporate State and the restoration of freedom: a society of free men.

SUCH a society can be built if its principles are clearly explained and put into action. Its beginnings can be founded at once; and of their own strength they will grow.

We must not expect, and we cannot attain, a perfect State. We must not expect, and we cannot attain, immediate universal results. There must be growth, and growth is of its nature gradual. But if we start upon these right lines, those who are now young will live through a world the freedom and prosperity of which will continually increase; in one human lifetime at least, probably less, the Corporate State, founded on secure, well-divided ownership, could be fully established and in being.

It is rare indeed in human affairs that a happy society can be formed and maintained. However well it be planned, and however thoroughly the plan may be carried out, the imperfections and vice of man's fallen nature —especially greed—are always present to menace the good thing. But at least we can know our goal and aim at it and follow on the right lines towards it. The Way Out is not imaginary and impracticable. The citizen owning property securely, and thereby living a free life, has stood in the past for generations, and may stand again. But such well-being in the past has always been accompanied by corporate economic institutions safeguarding the individual and the family and maintaining property by mutual assistance and by the authority of society.

Not the Perfect State, but the Good State, is attainable. The way to it is clear. All that is needed is the widespread explanation of the way and the continuous will to pursue our object to its triumph.

Our aim, then, is clear, and our goal is clear. The two main obstacles before us are equally clear.

The first obstacle is the existing proletarian mind, which has forgotten, or is beginning to forget, what economic freedom means, who sees it in terms of wages only. To convert the proletarian mind to the idea of property, to make men so long subject to proletarian conditions understand the necessity of property and to understand that freedom must be restored, is a hard task, and the difficulty of such a task is the first obstacle we have to meet.

The second obstacle is the temptation offered by rapid methods of escape, of which the most obvious, and therefore the most perilous, is Communism. If we follow the line of least resistance towards Communism we shall end, not in the establishment of the Good State and of a tolerable human life, but in disaster, leading to ultimate servitude.

To build up, to establish, to make certain, a good thing is always a greater effort than that demanded for palliatives and immediate remedies. The effort to restore makes on us demands not only for patience, but for energy and for continuous sacrifice. But the reward, if we reach our goal, will be a human society consonant to the nature of man, his free will and his rational expectation of happiness, even in this unhappy world.

Panis Humanus. Right-living. Our daily bread, of the body and of the soul.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Hope Still Rests In The Small Business

By HON. H. JERRY VOORHIS
Representative from California

EXISTING investment banking machinery is simply not doing the job of supplying credit or capital to small concerns. This, in my opinion, is primarily due to the existence of a very real credit monopoly in the hands of a few very large and powerful banking houses centered in New York City.

Obviously this is not a problem which can be overlooked. Even such thorough going reforms of the money and credit system as some of us have been advocating will not of themselves alone effect a proper and well-balanced channeling of investment in the nation.

The statistics of income for 1934 show that 98 per cent of all companies filing income-tax returns containing balance sheets reported assets of less than $5,000,000. And 386,000 corporations in the nation had assets of less than $1,000,000. Thirteen per cent of all corporate assets were in the hands of this group.

In 1929, 38 per cent of all wage earners employed in the United States were employed in establishments having less than 250 workers.

Clearly, therefore, the welfare of the United States is largely dependent upon the welfare of the small business. And if, as is evidently the case, some regions of the nation are having their investment funds drawn out of those regions into the Northeast instead of being invested near home, then we have another serious problem from the standpoint of a well-balanced and at least partially competitive economy.

Makers Pull Wool Over Eyes Of Consumer

By HON. HAROLD H. SCHWARTZ
Senator from Wyoming

WITHIN the last decade, more and more reclaimed wool has been used to replace virgin wool in wool products. In addition, larger and larger quantities of fibers other than wool have been employed. This has resulted in the unparalleled situation where the nation's wool industry, on which the health and comfort of the great portion of the population depends, is using less virgin wool in the production of materials sold as wool than of other fibers.

Here are the proportions, according to the figures for 1936, the latest available. The wool industry used approximately 200 million pounds of reclaimed wool or shoddy, 70 million pounds of rayon, and 80 million pounds of cotton. The use of these fibers other than virgin wool has been almost wholly without the knowledge of the consuming public.

Aside from its patent dishonesty in the treatment of the public and the unfair competition it constitutes, the situation is one which demands remedial legislation. On the one hand, the lack of restraining legislation allows the perpetuation of a flagrant deception of consumers. On the other, the practical effect of the absence of any legal requirements as to labeling gives the countenance of law to an unchecked assault upon a great American industry which is the sole customer for an important and basically necessary agricultural product — raw wool.

The wool-growing industry represents an important partial source of income to about 500,000 farmers in widely separated parts of the United States. Some 96,000 wool growers are engaged exclusively in sheep raising. Even at today's subnormal prices for raw wool their annual product is worth approximately $100,000,000, according to estimates of the National Association of Wool Growers.

The American wool manufacturer is the only customer for this output. Foreign markets for our raw wool do not exist, for the cost of raising sheep in this country is, as is true of all our commodities, higher than elsewhere. So, when the American manufacturer of wool products uses reclaimed wool, cotton, rayon, or any non-wool fibers, which he sells to consumers as wool, he is—whether or not he knows it or cares—helping to destroy a great agricultural industry of our nation. And this without any corresponding economic benefit to himself or to the consuming public.

How effectually this is being brought about, is evidenced by the fact that although the present American wool clip is not sufficient to fully meet the requirements of the American public if all products sold as wool were actually made of virgin wool, the wool growers are in such serious straits, that the Government has been obliged to establish a loan fund of $50,000,000 to enable them to carry their wool stocks until they can obtain even a subnormal price for it. Yet all efforts to remedy this situation by the enactment of legislation which would differentiate between virgin wool and reclaimed wool, or shoddy, have been for many years consistently fought by the National Association of Wool Manufacturers.

More Abundant Life For Farmers Abroad

By HON. DANIEL A. REED
Representative from New York

WE have heard much about a more abundant life for the farmer. President Roosevelt has been urging the necessity of spending billions of dollars to attain this goal. The billions have been spent, but instead of better conditions for the farmers, their plight is infinitely worse. The chief hope of the farmer, which is his domestic market, has been bartered away. Imports of competitive farm products are pouring into the United States in ever-increasing volume to the detriment and to the ultimate disaster of our agricultural interests. To camouflage the adverse effect of imports, the New Deal is purchasing the farmers' surplus crops with the taxpayers' money. One example will suffice to show the folly and stupidity of this program. From July 1, 1937, to February 11, 1938, the Federal Surplus Commodities Corporation purchased 50,000 cases or 1,425,000 pounds of canned tomatoes to keep the domestic price up. But during the same period there was imported into the United States to drive the price down, a total of 34,239,959 pounds of canned tomatoes.

For the benefit of the blind followers of the President perhaps I ought to give another illustration from that section of the country where foreign cotton is now displacing the domestic product. I notice from official reports that from July 1, 1937, to February 11, 1938, the Federal Surplus Commodities Corporation in an effort to keep up the domestic price of cottonseed oil, purchased 8,704,200 pounds. Then from the same official source I find that during the same period we imported 37,163,314 pounds of cottonseed oil. Why go further? The whole farm program of scarcity, regimentation, planned economy, pump priming, and trade agreements is an insult to the intelligent farmers of the nation.

Concentration Is No Remedy for Ills

By HON. WILLIAM H. KING
Senator from Utah

IN THE light of present conditions, can it be said that we possess the form of government contemplated by the fathers; are not the States being destroyed; are not millions of individuals accepting alien views and clamoring for vital changes in our political and economic life? There are approximately 2,000,000 persons who are upon the pay rolls of the National Government, and the morale of many millions is being undermined by the false political doctrines which are being taught and the extension of the National Government into fields of private endeavor and control over areas which lie within the boundaries of sovereign States.

Professions of devotion to democratic principles and to what some call progressive policies are loudly proclaimed by many who are seeking fundamental changes in the Constitution, as well as in the relation of the States to the Federal Government. The progressivism of some persons is embodied in a doctrine that the Federal Government shall create a multitude of agencies and bureaus to whom shall be committed vast political power. Many of these policies aim at strengthening the Federal Government and transferring to it powers belonging to the States and to individuals.

Many who profess great interest in social questions, education, and economic and industrial problems recommend only one formula, namely, that Congress shall enact more laws extending the jurisdiction and authority of the General Government and the creation of more powerful bureaus and agencies.

Farmer Wants to Know The Why of Land "Justice"

By HON. CHARLES G. BINDERUP
Representative from Nebraska

UNDER leave to extend my remarks, I include, in part, a letter from one of my constituents, a farmer living near Crete, Nebraska.

I think many of us wonder with this farmer why it is if large financial and industrial organizations and shipping concerns can borrow money or credit at from one-half to 1½ per cent that our farmers cannot borrow at like low interest rates money and credit with which to finance their homes and farms when they offer the best security in the world—the land.

Crete, Nebraska.
April 26, 1938.

Hon. Charles G. Binderup,
Washington, D. C.

"We can neither understand nor can we see any justice in the special favors given Wall Street, the Wall Street gambler, the big manufacturer, etc., in loaning them money at from one-half to 1½ per cent interest, and the man who wishes a loan on real estate or a farm mortgage must pay from 3½ to 5 per cent. Farm-mortgage interest as well as city property should be very, very low. Land is the basic value on which governments are built. If you don't believe it, explain the actions of Italy, Germany, and Japan in the last year or so.

"There is no justice in the Government's issuing money at 30 cents per $1,000 to a privileged class and they in turn reloaning it at 4 to 8 per cent.

"Congress should dictate the issuance and call of money, and not a few bankers in the Federal Reserve System, who are operating for their own private gain. The basic idea of money is that it is a medium of exchange and should be issued in such quantities to not hamper business. It should be the servant of man, not his dictator.

"We see no reason for a large and increasing agricultural importation. Especially when we have a surplus here at home and are reducing crop acres. The farmer should not be made to suffer importations to benefit the manufacturer's exportations. Remember, agriculture is the basic industry of any country. If you ruin it, sooner or later the whole structure will fall with it.

"We are asking these questions not in a critical way. We would just like to know the reason why. They appear to us to be unjust. Perhaps we are wrong. We just want to know the truth. We would like to have your explanation of the why of these things. We would like to have you learn from the President the reason why he opposes so many of these things. We feel that you are making a good record in Congress. We like your stand and attitude on questions. This is the reason we write you.

Very sincerely,"

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Can the CRACKED-UP C.I.O. Be Mended?

By

Father Coughlin

A house of eight gables, of twenty back doors, of a main entrance which leads into the coal-bin, and of rafters which are rotten with the termites of Communism—that's the "House That Jack" (Lewis) built on the sandpile of autocracy

WHEN John L. Lewis broke from the American Federation of Labor at the San Francisco convention in 1934, he performed a most valuable service for the mass productionist laborer.

Previous to that day, the industrial workmen were imposed upon, exploited, disorganized and neglected. They were soft-soaped by bank-controlled industrialists with the doctrine of private individualism and with private contracts privately entered into with some employment agent who hired them or fired them at will.

Previous to 1934, the mass production laborer had the right either to work under conditions and for pay over which he had no control, or else starve.

In the automotive industry where labor was paid the best hourly rate, the annual wage seldom rose above $1,500—scarcely enough to maintain the laborer in frugal comfort and not enough for him to take care of his wife and his children according to the standard of a humble American.

For years the American Federation of Labor was supreme in the field of labor organization. It concentrated its efforts upon craft labor. Of the 40 million American men who earned their bread by the sweat of their brow, the A. F. of L., during a lifetime which extended over 30 years, has succeeded in organizing less than four millions. To its credit it had unionized carpenters, engineers, brick masons—skilled craftsmen. But to its discredit William Green and his associates had not put forth any efficient efforts for the cause of the unskilled mass productionist.

America—a land teeming with wealth and plenty—was fast becoming a land populated by paupers and economic slaves because industrial and financial capitalism were wedded to the policy of production at a profit for the stockholders and production at a loss for the laborers.

To my mind, John Lewis was absolutely in harmony with the interests of American labor when he began to break with the slow-moving, ultra-conservative A. F. of L. On the afternoon of October 19, 1934, this Successful Rebel was holding court in the President Hotel, San Francisco. The A. F. of L. convention was about to adjourn without recognizing the necessity of granting charters for industrial unions comprised of mass production workers.

Surrounding Lewis were the leading progressives in the labor movement who were fatigued with the tortoise policies and blind decisions of the A. F. of L. towards labor. There was Sidney Hillman, the boss of the Amalgamated Clothing Workers of America, which had broken off from the old United Garment Workers in 1914. With him was David Dubinsky, the head of the International Ladies' Garment Workers. Tom Kennedy, the Lieutenant-Governor of Pennsylvania, Philip Murray and Van Bittner from the United Mine Workers had joined John L. Lewis in expressing their dissatisfaction and disappointment. From the Mine, Mill and Smelter Workers was Tom H. Brown, and Charlie Howard represented the Typographers.

Their disappointment was so great and their determination was so resolute that this group decided, after the 1935 Convention of the A. F. of L. held at Atlantic City, New Jersey, to bolt the A. F. of L. They met on November 9, 1935 in Washington to discuss ways and means to accomplish, independent of the A. F. of L., what this parent organization had refused to do. They decided to form an organization for the mass productionist laborer.

WHEN November 9th appeared on the calendar, representatives of eight unions attended the first meeting. On that day they called into being the C.I.O. Without due process of election they recognized John L. Lewis as chairman of this organization. Because immediate action was required, these men did not trouble themselves with drawing up a constitution, nor with providing for the future democratic election of officers in the C.I.O. Like Topsy, the C.I.O. was "just born."

Sympathetic persons understood the necessity for prompt action. Thus, little criticism was aimed at John L. Lewis and his colleagues when they began to dig the cellar of a new structure without benefit of architect or blueprints.

But four years have passed since that historic meeting was called. As yet no democratic election of officers of the C.I.O. has been held. No democratic constitution for the C.I.O. has been struck off. No blueprints were made. The result of this oversight is what every person in the United States knows. The house of eight gables, of twenty back doors, of a main entrance which leads into the coal-bin, and of rafters which are rotten with the termites of Communism—that's the house that Jack built on the sandpile of autocracy.

These things make us stop, look and listen as we ponder upon the future of the C.I.O. together with the future of mass production labor in America.

While the C.I.O., according to its original plans, was and is to be commended, the laboring men of America have now arrived at the point where they will not be satisfied with its benign dictatorship. They want democracy not only in their government but also in their unions. They want the individual unions of motors, textiles, steel, etc. to be self-governing. They also want a national body that will operate according to rules and regulations under a constitution which will safeguard the autonomy of every union and protect the best traditions of American freedom—independent of Communists, Fascists, Nazis and radicals.

In other words, the mass production laborer wants justice which, when boiled down to a concrete sentence, means that he wants a just, living annual wage in return for his labor and decent conditions to prevail in the shops and factories—all under a constitutional set-up.

The American does not want to overthrow the Constitution of the United States. He wants a leadership that is independent of Moscow and Berlin—a leadership which will make no compromise with Stalin and his organizers. He also wants peace and prosperity on the basis that capital needs labor and labor needs capital.

It will be more than a pity if American labor will retreat from the position which it has gained during the past four years. By no means must it surrender the victories won, even though the

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

C.I.O. has been weighed and found wanting, not because of its objectives but because of its methods of autocracy and its unwise haste to follow the plans which were devised in the architectural institute of Moscow.

More than ever labor must cling to the idea that autonomous unions must be established for the industrial workers. These unions, if they will survive, may never hand themselves over body and soul to any committee or organization which is dominated by the will of a man and not regulated by the law of a constitution which is American and Christian from top to bottom.

DURING the past six months, this principle has become well-recognized among the more intelligent laborers throughout America. It was brought to the fore-front through the Harry Bridges incident more than through any other medium. As all informed persons know, it was the policy of John Lewis and John Brophy to dominate all those industrial unions which, unfortunately, did not have their own international presidents. The maritime workers' union on the West Coast was no exception to this rule. Thus it was that these two head men of the C.I.O. promoted the cause of Harry Bridges so successfully that he became the C.I.O. boss of the West Coast.

Everybody knows that Harry Bridges is a Communist. He himself boasts of it.

Everybody knows that Harry Bridges isn't even an American citizen. He is still an Australian. Thus, because West Coasters chaffed under the Communistic leadership of this radical, they appealed to the United States Department of Labor to deport him. At this juncture, John L. Lewis committed the prize mistake of his life: he petitioned Madame Perkins in behalf of Harry Bridges and requested many persons, some of whom I know intimately, to appeal to the Labor Department for the protection of this Australian Stalinist whom the chairman of the C.I.O. had slid into power in San Francisco.

The Harry Bridges incident was too much for the American laborer to stomach. It became the dynamite cap which effected the explosion now rocking the C.I.O. Or, to be more regular in our metaphor, it was the lightning bolt which demolished five of the eight gables on the house that Jack built.

Labor leaders everywhere are opposed to Bridges. Naturally, their opposition indirectly hit at John L. Lewis who was Bridges' protector. Critical words soon blossomed into hostile actions. Four West Coast unions severed their relations with the state C.I.O. Homer Martin, the international president of the U.A.W.A., perceived the keen, American feeling which manifested itself against Communists and Communism. Although he believed that John L. Lewis was not responsible for conspiring with the cossacks, he felt that it was high time for him to strike a blow for Americanism amongst the 400,000 members of his gigantic automobile workers' union.

The purge within the ranks of the U.A.W.A. followed. Martin was certain that Lewis would support him at least with a public statement of encouragement. Although he knew that Lewis had not been elected democratically to the chairmanship of the C.I.O.; although he knew that the same committee had not composed a constitution which would be an American guide to all affiliate unions, Mr. Martin was ready to play along with John L. on the basis that, at some future date, the C.I.O. would Americanize itself and conduct its operations in a democratic fashion free from Communistic control, free from Communist appointments to high office and free from the need of Communist organizers in mass production industry. All that Homer Martin expected was a word of approval from the Big Chief for having dumped into the ash can of disrepute the Communists and the Stalinists who had muscled into his organization.

Unfortunately, that word never came to Detroit. Thus, John L. Lewis, by his silence in the Martin incident, has made it necessary for the industrial unions of America to call out the fire engines to extinguish the red blaze which is devouring the paper-mache walls of the C.I.O. structure.

On top of all this, John Brophy, the right-hand bower of John Lewis, is en route to California as I write these lines to defend Harry Bridges and to chastise the California unions which rebelled from the Bridges domination.

WHERE is all this going to end?

Will the C.I.O. be able to quench the fire and rebuild its structure according to the plans and blueprints of Washington, Lincoln, Jefferson and Jackson, and with material quarried from the bedrock of Christ?

Will industrial unionism crumble?

Will John L. Lewis and the C.I.O., without benefit of election or constitution, still hold the whip hand of mass production labor and still attempt to operate American unionism along the dictatorial plans evolved in Moscow?

Time only will tell.

Meanwhile, it is my privilege to plead for American labor and to offer a suggestion. It is this: Since vertical unionism, or industrial unionism, is an essential to American life, I not only suggest but plead with the workers of America to build unions which are autonomous, or self-governing. *Let them elect their own international officers and write their own constitution in harmony with the Constitution of the United States, as has been done in the U.A.W.A.*

Since a chain is no stronger than its weakest link, since, according to the old axiom, there is strength in unity, all industrial unions must be co-ordinated in such a manner that, while each one is autonomous, nevertheless, all together they will meet on common ground, in a common organization, with a common constitution democratically arrived at.

At present, the C.I.O. has no real, factual existence in the legal or corporative sense of the word. It operates undemocratically and innocent of all constitution. Thus, it is the duty, not only of John Lewis but of all heads of all international unions, *to elect a president of the C.I.O. and to draw up a constitution.* This constitution must not infringe upon the autonomy of any union. It must safeguard the American working men from the incursions of Communism, Fascism and Nazism. It must act as a unified spearhead of operation and consolidation for all mass production labor in America.

If the C.I.O. plans to survive, this must be done. And if American citizens are genuinely sympathetic for labor, it appears to me that it is their duty to support the autonomy and the democratic Americanism of every organized union. It is their parallel duty to work towards the consolidation of all unions in a democratic, constitutionally elected national body. In other words, *let us Americanize the C.I.O. or junk it,* if it persists in following the Soviet pattern.

At the present writing David Dubinsky and his far-flung union of Garment Workers are experiencing strained relations with the C.I.O. The International Ladies' Garment Workers' Union is still a member of the A. F. of L. The union of mine workers, over which John L. Lewis presides, has remained as much a personal dictatorship as ever. The United Mine Workers of America is stronger than ever in membership. The only thing missing is democracy. The Steel Workers Union, once the strongest industrial union in America, has shrunk in membership to a great extent. The automotive workers are in danger of losing their prestige and power as a result not only of the silence on the part of John L. Lewis, but also because of the Communistic organizers whom John Brophy scattered throughout Homer Martin's organization.

ALTHOUGH the present set-up of the C.I.O. is typically Soviet, insofar as an unelected ruler with unconstitutional authority is empowered to direct the destinies of regimented millions, I hope that Mr. Lewis himself is not a Communist nor a Soviet lover, although his present actions belie our hoping. Unwittingly, nevertheless, he is following the Soviet blueprints which he himself condemned in 1924 in no mistaken terms.

If I may offer this gentleman a suggestion, here it is for what it is worth: Mr. Lewis has had no stronger supporter and advocate than Homer Martin, the international president of the U.A.W.A. And American labor has had no more zealous friend than is Homer Martin. But conditions have arrived at a climax. A rump convention of Stalinistic supporters within the U.A.W.A. met at Toledo last week for the purpose of ousting Martin from his position as International President of the United Automobile Workers of America. More than that, this rump convention is determined to collect dues from its sympathizers and hand them over directly to John L. Lewis instead of placing them in the legitimate treasury over which Homer Martin presides.

Now, if Mr. Lewis recognizes these rump conventionists who are meeting in defiance of the autonomous, constitutionally erected U.A.W.A.; if he accepts the dues from the rebel locals of this union, he will be inviting disaster. He will be forcing Homer Martin to take issue with him because, by his actions, he will be saying: "down with the autonomy of labor unions and up with the dictatorship of the undemocratic C.I.O. and its communist leaders!"

The C.I.O. will either crack up or build up as a result of the lightning flash which is represented in the first instance by Harry Bridges and, in the second instance, by the revolt going on in the Auto Workers' Union. It will either become American or Americans will be forced to begin all over in planning the structure of a national edifice to house the autonomous union children in the family of mass production labor.

One thing is certain: The present ghost organization of the C.I.O. must cease coddling Communists. It cannot remain respectable and support a Harry Bridges. It must desist from sending Communistic organizers into the industrial field. Those of us who have been dealing first hand with Communists are aware that the Stalinists are still determined upon bringing about a world revolution. They are still determined, while prating of democracy, to rest the security of their plans upon a dictatorship in government as well as in labor. Only Communistically inclined persons favor the present undemocratic, unconstitutional set-up of the C.I.O.

The first sign of the process of mending, as far as the C.I.O. is concerned, will be evident in its liquidating all those who uphold the pattern, the blueprints and the philosophy of Moscow.

The efforts of sound American labor leaders — notably Homer Martin of the United Automobile Workers — to clean their unions of leftist radicals deserve the support of all sound Americans.

An invitation to John L. Lewis to undertake a similar house cleaning within the C.I.O. is proffered by Father Coughlin in the accompanying article.

An opportunity is now given for Mr. Lewis and his fellow leaders in the C.I.O. to reform their labor movement along American and democratic lines instead of Moscow's plan of "dictatorship."

Let the C.I.O. adopt a constitution; let its officers be elected by the dues paying membership in a democratic manner, and much of the suspicion of leftist radicalism would be removed in the public mind.

The activity of known Communists in high posts of official responsibility, coupled with the leaders' refusal to permit democratic processes in the C.I.O., will, sure as fate, continue to alienate the American working man from the C.I.O.

There is still a chance to save the C.I.O. Will John L. Lewis take it?

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Once more the reader's indulgence is asked as we devoted the extra "news" page this week to accommodating Father Coughlin's fuller discussion of the reputed "Protocols of Zion," here continued from the Tower editorial page.

Protocols

(Concluded from page 5)

as a smoke-screen of liberalism towards religion is permitted here and there in order that the Communists may build up their pyramid of lies.

As Nazism and Fascism are the effects of Communism, it is logical, if these effects are to be removed from civilization, to remove the causes which produce them.

The cause producing them was and is Communism.

Therefore, if Jews are logical and scientific, let them remove the causes before they attempt to remove the effects.

HERE below is the 5th Protocol:

"What form of administrative rule can be given to communities in which corruption has penetrated everywhere, communities where riches are attained only by the clever surprise tactics of semi-swindling tricks; where looseness reigns; where morality is maintained by penal measures and harsh laws but not by voluntarily accepted principles; where the feelings towards farm and country are obliterated by cosmopolitan convictions? What form of rule is to be given to these communities if not that despotism which I shall describe to you later? We shall create an intensified centralization of government in order to grip in our hands all the forces of the community. We shall regulate mechanically all the actions of the political life of our subjects by new laws. These laws will withdraw one by one all the indulgences and liberties which have been permitted by the goyim, and our kingdom will be distinguished by a despotism of such magnificent proportions as to be at any moment and in every place in a position to wipe out any goyim who oppose us by deed or word.

"We shall be told that such a despotism as I speak of is not consistent with the progress of these days, but I will prove to you that it is.

"In the times when the peoples looked upon kings on their thrones as on a pure manifestation of the will of God, they submitted without a murmur to the despotic power of kings; but from the day when we insinuated into their minds the conception of their own rights they began to regard the occupants of thrones as mere ordinary mortals. The holy function of the Lord's Anointed has fallen from the heads of kings in the eye of the people, and when we also robbed them of their faith in God the might of power was flung upon the streets into the place of public proprietorship and was seized by us.

"Moreover, the art of directing masses and individuals by means of cleverly manipulated theory and verbiage, by regulations of life in common and all sorts of other quirks, in all which the goyim understand nothing, belongs likewise to the specialists of our administrative brain. Reared on analysis, observation, on delicacies of fine calculation, in this species of skill we have no rivals, any more than we have either in the drawing up of plans of political actions and solidarity. In this respect the Jesuits alone might have compared with us, but we have contrived to discredit them in the eyes of the unthinking mob as an overt organization, while we ourselves all the while have kept our secret organization in the shade. However, it is probably all the same to the world who is its sovereign lord, whether the head of Catholicism or our despot of the blood of Zion! But to us, the Chosen People, it is very far from being a matter of indifference.

"For a time perhaps we might be successfully dealt with by a coalition of the goyim of all the world; but from this danger we are secured by the discord existing among them whose roots are so deeply seated that they can never now be plucked up. We have set one against another the personal and national reckonings of the goyim, religious and race hatreds which we have fostered into a huge growth in the course of the past twenty centuries. This is the reason why there is not one State which would anywhere receive support if it were to raise its arm, for every one of them must bear in mind that any agreement against us would be unprofitable to itself. We are too strong—there is no evading our power. The nations can not come to even an inconsiderable private agreement without our secretly having a hand in it.

"*Per Me reges regnant*, 'It is through me that Kings reign.' And it was said by the prophets that we were chosen by God Himself to rule over the whole earth. God has endowed us with genius that we may be equal to our task. Were genius in the opposite camp it would still struggle against us, but even so a newcomer is no match for the old-established settler; the struggle would be merciless between us, such a fight as the world has never yet seen. Aye, and the genius on their side would have arrived too late. All the wheels of the machinery of all States go by the force of the engine, which is in our hands, and that engine of the machinery of States is—Gold. The science of political economy invented by our learned elders has for long past been giving royal prestige to capital.

"Capital, if it is to co-operate untrammelled, must be free to establish a monopoly of industry and trade; this is already being put in execution by an unseen hand in all quarters of the world. This freedom will give political force to those engaged in industry, and that will help to oppress the people. Nowadays it is more important to disarm the peoples than to lead them into war; more important to use for our advantage the passions which have burst into flames than to quench their fire; more important to catch up and interpret the ideas of others to suit ourselves than to eradicate them. The principle object of our directorate consists in this: to debilitate the public mind by criticism; to lead it away from serious reflections calculated to arouse resistance; to distract the forces of the mind towards a sham fight of empty eloquence.

"In all ages the peoples of the world, equally with individuals, have accepted words for deeds, for they are content with a show and rarely pause to note, in the public arena, whether promises are followed by performance. Therefore, we shall establish show institutions which will give eloquent proof of their benefit to progress.

"We shall assume to ourselves the liberal physiognomy of all parties, of all directions, and we shall give that physiognomy a voice in orators who will speak so much that they will exhaust the patience of their hearers and produce an abhorrence of oratory.

"In order to put public opinion into our hands we must bring it into a state of bewilderment by giving expression from all sides to so many contradictory opinions and for such length of time as will suffice to make the goyim lose their heads in the labyrinth and come to see that the best thing is to have no opinion of any kind in matters political, which it is not given to the public to understand, because they are understood only by him who guides the public. This is the first secret.

"The second secret requisite for the success of our government is comprised in the following: To multiply to such an extent national failings, habits, passions, conditions of civil life, that it will be impossible for anyone to know where he is in the resulting chaos, so that the people in consequence will fail to understand one another. This measure will also serve us in another way, namely, to sow discord in all parties, to dislocate all collective forces which are still unwilling to submit to us, and to discourage any kind of personal initiative which might in any degree hinder our affair. There is nothing more dangerous than personal initiative; if it has genius behind it, such initiative can do more than can be done by millions of people among whom we have sown discord. We must so direct the education of the goyim communities that whenever they come upon a matter requiring initiative they may drop their hands in despairing impotence. The strain which results from freedom of action saps the forces when it meets with the freedom of another. From this collision arise grave moral shocks, disenchantments, failures. By all these means we shall so wear down the goyim that they will be compelled to offer us international power of a nature that by its position will enable us without any violence gradually to absorb all the State forces of the world and to form a Super-Government. In place of the rulers of today we shall set up a bogey which will be called the Super-Government Administration. Its hands will reach out in all directions like nippers and its organization will be of such colossal dimensions that it cannot fail to subdue all the nations of the world."

Having concluded this Protocol, be it reiterated that there would be no such thing as Nazism or Fascism unless first there was Communism. Be it stressed that Communism, which antedated both these other un-American theories and which preceded the persecution of the Jews in Germany, began by persecuting Christians in Russia. And be it remembered that those who headed the communistic regime in Russia were, for the most part, Jews.

It is regrettable that the law of retaliation is one of the laws of this materialistic life. Someone, I believe it was Emerson, called it the law of compensation.

Christians do not uphold the morality of retaliation for "Revenge is mine, saith the Lord." Nevertheless, when the Jews remember that text and remember the relation which exists between cause and effect, they will do well to cease campaigning so much against Nazism and Fascism and bend their efforts against Communism and anti-Christianism, which are the order of the day in Russia and which are appearing even here in America.

Father Coughlin

"PHILIP DRU"
Another "Gabriel"

Not unlike "Gabriel Over the White House," which SOCIAL JUSTICE exposed for its readers more than a year ago, Col. House's novel "Philip Dru," published anonymously in 1912, is ominously significant 26 years after its writing. What was mere fiction and fanciful invention in a novel of pre-war days, becomes actually foreboding with the fulfillment of its unsuspected prophecies, which are being disclosed weekly in SOCIAL JUSTICE.

Says the Chicago Tribune:

"Col. Edward M. House, while he was a living legende, was a strange figure in American government. It was supposed that he moved across Europe as a great force, perceiving the true elements of the approaching struggle, advising and cautioning the heads of government, an intimate of the controlling powers, and even more truly perceiving than they what was in store. It was supposed that this strange character, in his White House intimacies, gave to Mr. Wilson the understanding upon which great statesmanship could be constructed, and that between the two America had in its government an acumen and power which could shape destinies.

"We remember it was true for a time that Mr. Wilson's words were regarded as more powerful than high explosives and that as Europe weakened in war he, as the great pacifier, grew in strength. Col. House lived to see the fruits of the undertaking to which he and Wilson were devoted. America's greatest international experiment was fortunately of short duration, but Col. House saw how the other nations were to act under the arrangements made for them. He saw Europe recover its physical strength only to use it in rushing from the modified autocracy of before the war to the complete and enslaving despotism of the present.

"Col. House was probably the most fantastic thinker and planner who ever held a position of great influence, although unofficial, in the Washington government. It is established that he was the author of 'Philip Dru: Administrator,' published anonymously in 1912 and described in its subtitle as a 'story of tomorrow, 1920-'35.'

"In 1912 it must have been regarded as a crazy book. The reader now may thumb it through and wonder. Just how erratic was Col House in 1912?"

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Seven More Weeks to Win $3,000.00!

YOU CAN ENTER TODAY AND BE On Top!

QUESTIONS FOR THIS WEEK

QUESTION No. 15

WHAT IS SOVEREIGN POWER?

1. The right to rule
2. The divine right to rule
3. A power belonging to a whole people.
4. A power enjoyed by a majority
5. A power enjoyed by a minority
6. A power enjoyed only by a monarchy
7. A power enjoyed only by a republic
8. A power enjoyed only by a democracy

QUESTION No. 16

WHAT IS A "CONTINENTAL?"

1. A Federal Reserve Bank note
2. A $50-bill
3. A $100-bill
4. Confederate money
5. The earliest United States currency
6. Counterfeit money
7. Credit money
8. Legal tender

FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN

Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No. 15 For Question No. 15 I select Answer No. ☐ No. 16 For Question No. 16 I select Answer No. ☐

Name .....

Address .....

Town or City ..... State .....

EXTRA COUPON FOR YOURSELF OR FRIEND

FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN

Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No. 15 For Question No. 15 I select Answer No. ☐ No. 16 For Question No. 16 I select Answer No. ☐

Name .....

Address .....

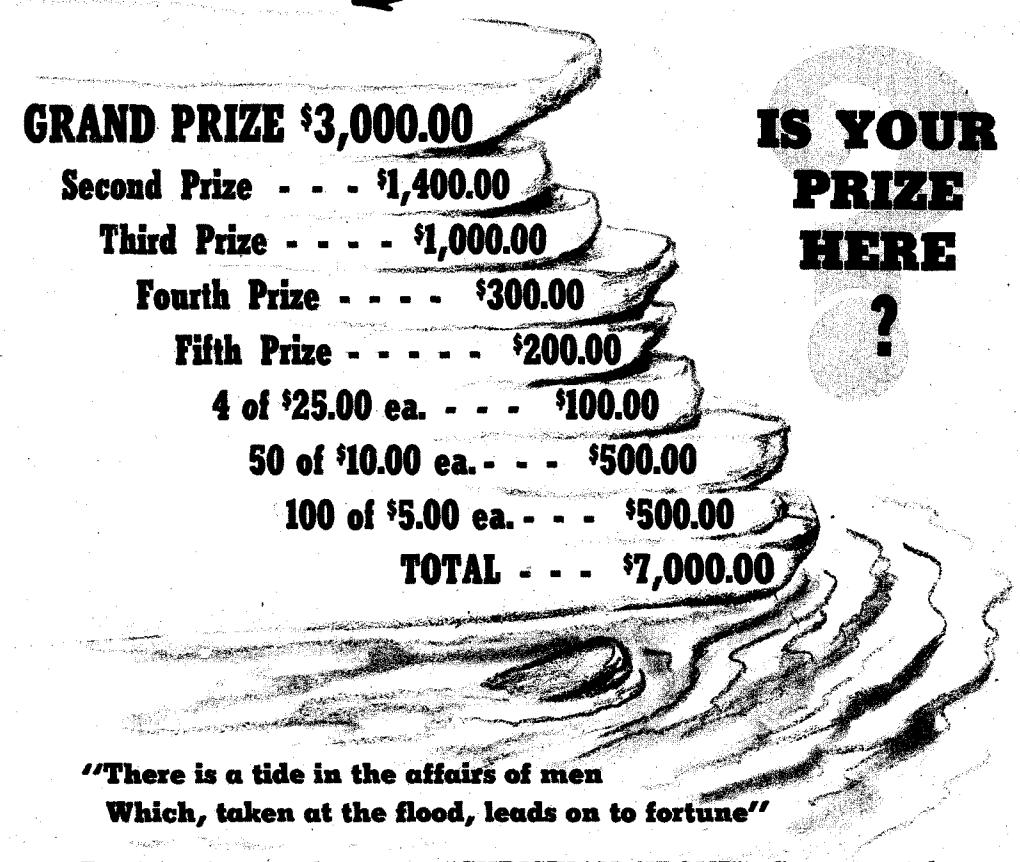
Town or City ..... State .....

RULES OF THE CONTEST

1. Open to all readers of SOCIAL JUSTICE except employes of Father Coughlin, members of the former National Board of National Union for Social Justice, or members of their families.
2. The Contest shall consist of 50 questions and run for 16 consecutive weeks beginning on July 4, 1938. Two questions each week for 15 weeks and all 50 questions to appear on the 16th week. Each question deals with Christianity, the social justice principles of Father Coughlin, or the contents of the SOCIAL JUSTICE magazine.
3. A Grand Prize of $3,000.00 will be awarded the reader of SOCIAL JUSTICE returning the best or most appropriate answers to the 50 questions, such answers to be based on the universal doctrine of Christianity (all creeds) or the viewpoint of Father Coughlin as expressed over the radio or in the columns of SOCIAL JUSTICE. The reader or readers submitting the next nearest correct answers and otherwise complying with the rules shall be eligible for the additional prizes in the order of their correctness.
4. In order to qualify as a prize-winner the contestant is required to send in 10 cents in coin (not stamps) with each pair of answers, and to obtain two yearly subscriptions or four half-yearly subscriptions to SOCIAL JUSTICE magazine. For these the contestant shall have sent without further cost a copy of Father Coughlin's compiled 16 radio lectures of the 1938 season.
5. We cannot take into account solutions without signed names or addresses. Neither can claims to their ownership be recognized. We cannot be responsible for Coupons arriving unduly late or lost in the mails. By entering the Contest the contestant agrees to accept as final the decision of the judges as to procedure and final outcome.
6. In event of ties additional questions will be submitted. In event of final ties, after two such submissions, duplicate prizes will be awarded.
7. Do NOT decorate Coupons. Neatness will NOT count.
8. Any inquiry the reply to which could not affect outcome of Contest will be acknowledged.
9. A contestant may send in any number of sets of duly qualified answers, and each set will be judged as a unit, but no individual may win more than one prize. A contestant sending in more than one fully paid set and two yearly or four half-yearly subscriptions with each set submitted shall be entitled to have a copy of Father Coughlin's 1938 Radio lectures for each set submitted.

SO CONTESTANTS MAY KNOW

1. Study the questions. Mark your selection of the best or most appropriate answers on the Coupons below the questions and send in EACH WEEK with 10 cents in coin (not stamps).
2. If you wish, you may pay in full, $2.50 NOW, and then send in your weekly coupons without further remittance.
3. In order to qualify as a prize-winner you must obtain two new yearly subscriptions ($3.00 per year) or four new half-yearly subscriptions ($1.50) to SOCIAL JUSTICE WITH EACH SET OF SOLUTIONS SUBMITTED. THESE SUBSCRIPTIONS MAY BE SENT IN AT ANY TIME DURING THE COURSE OF THE CONTEST. These subscriptions must be from persons NOT taking SOCIAL JUSTICE by mail at the time the subscription is taken.
4. Each question will pertain to Christianity, (not of any particular creed), to the social justice principles laid down by Father Coughlin, or to the contents of SOCIAL JUSTICE magazine. One of the list of suggested answers underneath each question will be the best or most appropriate based upon the viewpoints of Father Coughlin or this national weekly. It is your job as a contestant to try to select that particular answer.
5. In order to qualify as a prize-winner, in addition to obtaining the above-mentioned subscriptions, each contestant is required to remit $2.50 for each complete set of solutions submitted. THE NET PROCEEDS OF THE CONTEST GO INTO THE BROADCASTING FUND TO ASSURE FATHER COUGHLIN'S WEEKLY ADDRESSES NEXT SEASON!
6. If you run more than one set of answers, be sure to mark your sets "Set 1," "Set 2," "Set 3" etc. Each set stands alone in the judging. Coupons are NOT taken from one set to fill in bad "holes" in another set.
7. ALL PRIZES DOUBLED FOR WINNERS WHO ENTER THE CONTEST IN THE FIRST FIVE WEEKS AND RETURN TEN SOLUTIONS IN THAT TIME.


GRAND PRIZE $3,000.00
Second Prize - - - $1,400.00
Third Prize - - - - $1,000.00
Fourth Prize - - - - $300.00
Fifth Prize - - - - - $200.00
4 of $25.00 ea. - - - $100.00
50 of $10.00 ea. - - - $500.00
100 of $5.00 ea. - - - $500.00
TOTAL - - - $7,000.00
IS YOUR PRIZE HERE ?
"There is a tide in the affairs of men
Which, taken at the flood, leads on to fortune"

Participation in the great "CHRISTIAN FRONT" Contest might be the rise of the tide for you. If you win the Grand Prize of $3,000.00, that would be fortune, wouldn't it? You have an opportunity to win that neat sum equal to that of any other contestant.

You have an equal chance to win the Second Prize of $1,400.00; the Third Prize of $1,000.00; or any of the remaining 156 cash awards for best answering 50 simple questions on Father Coughlin's principles of social justice, the contents of the SOCIAL JUSTICE magazine, or Christianity regardless of creed. Catholic or non-Catholic, you CAN WIN. In the past the 883 prize-winners in SOCIAL JUSTICE contests have been pretty well divided as to sect.

The time for you to enter is NOW—for only seven weeks remain before the close of this great competition.

It is by no means too late. You can use the "PAST QUESTIONS" Coupon below this very hour. Within a few days you will receive reprints of all questions which have appeared in the contest right down to date.

Besides the prizes there is this consideration: the net proceeds of the contest go into the Broadcasting Fund by which the heavy costs of Father Coughlin's radio discourses are paid for.

Well, then—

"PAST QUESTIONS" COUPON

Contest Editor, SOCIAL JUSTICE

ROYAL OAK, MICHIGAN

I wish to enter the "CHRISTIAN FRONT" Contest at once and be on an even footing with all other contestants.

Please send me immediately all past questions which have appeared in the contest to date.

MY NAME IS .....

MY ADDRESS IS .....

CITY OR TOWN ..... STATE .....

Address

"CONTEST EDITOR"

SOCIAL JUSTICE—ROYAL OAK, MICHIGAN

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

CUT OUT THE ROOTS

To the Editor:

In perusing the columns of Social Justice, readers are constantly reminded of Communism and its consequent dangers, hazards and miseries. Is it not possible that we are aiming at a decoy target? Apparently all our verbal ammunition is directed at Communism itself. Why not go deeper into the problem and cut Communism off at its source where it flourishes so plentifully, that is, in the discontented minds and hearts of the mass of people.

Communism cannot hope to gain a foothold in America as long as the American people are satisfied with their present form of government. But, there are indications on every side that they are rapidly becoming disgusted with the present wishy-washy handling of the social problems in the United States today.

Warnings will be as water on the duck's back to the voters if they are not given living conditions. How can we hope to convince people who are starving and denied the privilege of living as normal people should live in a land of plenty? Their snap-back answer will be like a bullet hitting at the heart of the problem. "At least we have nothing to lose, as we have nothing now." In desperation they will turn to any avenue of escape, and Communism will present the pseudo-ideal avenue.

Just as long as the mass of the American people are able to procure three meals a day, a home and a bed, just that long is the American form of government secure. Give the American people more than starvation existence and we have nothing to fear from Communism.

John J. Burke

Springfield, Mass.

LEGITIMATE FINANCING

To the Editor:

I wish to say something in defense of the instalment business, which, like some of our politicians, is good and bad. I believe the legitimate merchant selling merchandise on the instalment plan who finances his own instalments either through the bank or himself is not to be criticized like the financing companies are, and it is too bad this unscrupulous financing of instalments is not remedied.

My experience is that the instalment plan is commendable business, providing, of course, that it is done legitimately. I have been in the instalment business for the last fifty years and the compliments that I have received are certainly very pleasant to me. I have repossessed goods and have resold the same parties. I could go on with a great many transactions, but will not do so.

It seems to me if the banks would take more interest in the instalment business it would be better for us all, but after all is said and done, our old obsolete money system must be corrected.

C. F. Bachman

Decatur, Ill.

CHAIN STORES AGAIN

To the Editor:

I refute the contention of Mr. Huyge in the July 18th issue of Social Justice.

It has been my good fortune to work for twenty-two years without interruption for one of the greatest Christian enterprises in the United States. I refer to one of the largest chain grocery stores operating in the United States and Canada. The welfare of its employees is always the first thought in the minds of the directors of the company. Our wages have always been adequate and above the average American standard of living.

As far as the statement that we are forced to become dishonest is concerned, there is nothing that could be further removed from the truth. Insofar as the policy of our company goes, we are instructed from the very beginning to be honest in all our dealings with the public, with our company and with ourselves—to give sixteen ounces to every pound and to give the finest merchandise for every cent spent by the customer.

Chain stores do not concentrate wealth in the hands of the few, because employees of chain stores, nine times out of ten, live in the very community that the chain store is located. Farm products are bought from local farmers, money is spent all over the country to buy manufacturers' goods to fill our shelves. We open shop at 7:30 A.M. and close at 6 P.M.; there is no Sunday work, no late Saturday nights and we are closed on all national holidays, enjoy two weeks vacation with pay and when ill, we are properly cared for.

Charles Zuccar

North Bergen, N. J.

PLANNED IT THAT WAY

To the Editor:

For some years the hucksters have been buying the cull oranges from the growers at market price, and peddling them out to the poor and middle class at 25c per two-gallon bucket, however, the farm loan outfit came along this year and is giving the growers $8 per ton over market price to dump them.

The results are that any number of men have been deprived of a job and placed on the W. P. A.

One dealer advised me that in years gone by he operated four one and one-half ton trucks and after paying the expense of operation, he cleared $6,000, but so far this year he has operated only one truck by himself and has lost $4,000 and is going to quit the business. Further results are that thousands of families will have to do without fruit juices as it is out of the question for the poor class to pay the price for first grade fruit.

G. M. Stonebraker

San Diego, Calif.

NOT BEST IN THE WORLD

To the Editor:

There is an article in a recent issue of Social Justice regarding chain stores of which I heartily approve, and my fifteen years' experience as manager of A & P grocery stores should enable me to recognize the truth when I see it in printed form.

Still, I am anxious to know in what state the chains have been found guilty of short-weight. In all my experience I have known of only one case where an employee has been fined in private court, that, of course, took place so that no publicity would be given and so that the reputation of the A. & P. would not suffer.

I also approve of the article written by F. E. Callaghan. If Social Justice would accept such advertising, I would also pledge myself to patronize such business organizations. There would have to be a strict probe of the business methods of said advertisers, however.

I have read some articles in your valued paper, eulogizing chain stores, but I believe these were instigated by the heads of said corporations, the ones who draw the exorbitant salaries and use the managers' names to draw attention of the public away from the facts which work against the best interests of the country at large.

John F. Lohmann

Marlboro, N. H.

KNOWLEDGE NOT ENOUGH

To the Editor:

I wish to congratulate the winners of the "Know America" contest for their knowledge of social justice. But I fail to understand why so much injustice is permitted to grow in America unnoticed by those students whose knowledge of social justice must be greater in order to win an award.

Knowledge of justice is of little value to save America from Communism unless it is put into practice by exposing and condemning the things that are unjust.

Public criticism of the W. P. A. will not solve our ailments, because while the public finds fault with the work, the New Deal praises it and gets the votes, and the politicians know it.

According to press reports, a committee composed of the officials of the executive boards of all Federal agencies connected with housing matters have drawn up a plan that will simplify home foreclosures. The plan will be submitted to the various state legislatures with the recommendation that it be enacted into law. It provides for a simple method of foreclosure by power of sale with permission for court confirmation if necessary.

Under the proposed act, the redemption period provided for after the sale of the property will be limited to thirty days. The report shows no provision in the proposed law to safeguard the investment of the home owner.

The friends of the money changers are always on the alert to serve their masters by forming some diabolical plan to separate the working man from his hard-earned savings.

Apparently those learned minds are not interested in Christianity or social justice when they wish to legalize a permanent system of profit making for the banks and insurance companies in the sale and foreclosures of American homes, while their owners will be consigned to the W. P. A. where their votes will be safe to keep politicians indefinitely in Washington to divide property amongst the working class.

Patrick J. Gaughan

South Hadley, Mass.

MYSTERIES OF BANKING

To the Editor:

In the Federal Reserve Bulletin for March, 1938, we find that the total deposits in the member banks amounted to $40,838,656,000, and we find that these same banks have in their vaults $589,457,000, which would enable them to pay 1.44 cents on each dollar of their deposits.

On December 31, 1937, the other cash in the vaults of the Federal Reserve Banks amounted to $351,688,000 which added to the 1.44 cents would have enabled the Federal Reserve System to have paid the magnificent sum of 2.34 cents on each dollar of deposit liability on that date.

The banks had gold certificates as assets on hand and due from the United States Treasury the sum of $9,119,891,000. On the same date, they owed the member banks on their reserve account $7,026,809,000, so that apparently they would have considerable money in the form of gold certificates to pay the member banks who in turn could pay the money to the depositors.

But it so happens under the law that gold certificates cannot be paid to member banks, therefore, they cannot be paid by member banks to depositors. This statement is made upon the authority of Mr. Elliot Thurston, special assistant to the chairman of the Board of Governors of the Federal Reserve System. Under date of November 26, 1937, Mr. Thurston wrote us as follows: "Gold certificates may not be paid out by Federal Reserve banks or by member banks. Member banks may pay their depositors in any of the kinds of currency in active circulation, namely, Federal Reserve notes, silver certificates, United States notes, national bank notes, Federal Reserve Bank notes and coins."

The above shows a very serious condition in the banker money system of this nation, and we are not surprised that the banks are not making loans to private concerns. This is the smallest amount of cash in vault that we have computed save once, when it went as low as 1.43 to the dollar, but never in the entire system has there been such a condition as now exists; the least money heretofore was once when they had 6.6 cents to pay on each dollar of deposit liability.

The only construction we can place on this condition is that the bankers are prevaricating when they make their reports to the Comptroller of the Currency or the National City Bank and other institutions are trying to fool the public.

Charles R. Adair

Flint, Mich.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Dan Snow

How MUCH *is the* TRUTH *worth to* YOU?

THE very air you breathe is heavy with propaganda. Communists. Fascists. Nazis. Rightists. Leftists. Politicians. Labor racketeers. New Dealers. Old Guards. Haves. Have-nots. How, in the frightful melee, could you hear the faint call of genuine Americanism? In the dizzy maze of sound and strife how can you learn the TRUTH?

TRUTH must come from one who has no ax to grind. If a man is to speak TRUTH, he must not seek civic office. He must not belong to a political party. He must not head a labor union. He must not aim at wealth. He must not be radical either to right or left. He must be free.

Such a man is Father Charles E. Coughlin, of Royal Oak.

Father Coughlin's life is dedicated to uttering TRUTH which American citizens, because of position or ambition, do not dare to utter. He is the spokesman for the repressed heart of the United States. For twelve years he has delved into the dark recesses of national thought and has laid bare to the world the corruption he found.

Father Coughlin is the most articulate enemy of Communism in the world. Week in and week out, he has exposed the scheming hypocrisy of Stalinites who would make of America the shambles that is Russia.

Your help is needed to bring Father Coughlin again to the microphone in November. The Broadcasting Fund of the Radio League of the Little Flower must contain $100,000 in order that Father Coughlin's broadcasting season of 1938-1939 be assured.

This is not a great deal of money when spread over hundreds of thousands of readers of SOCIAL JUSTICE. But, it is necessary that every man and woman who counts Father Coughlin's radio discourses as part of life MUST contribute something.

The Broadcasting Fund MUST have this money by October 15. Therefore, please tell us NOW how much you will be able to send. If you are comfortably situated in life, you can afford $5, $10, $20, $50 or $100. If you are not well-to-do, send what you can.

Communism is asking American citizens to contribute funds towards their own destruction.

We are asking you to help Father Coughlin persevere towards America's salvation.

SOCIAL JUSTICE PUBLISHING CO., INC.
Royal Oak, Michigan.

I wish to contribute to the 1938-39 Broadcasting Fund so that Father Coughlin may continue to spread principles of social justice in America.

I hereby pledge the sum of $_____ which I am enclosing herewith or which I will send in two equal monthly remittances on September 15 and October 15.

My Name Is _____

My Address Is _____

City or Town _____ **State** _____

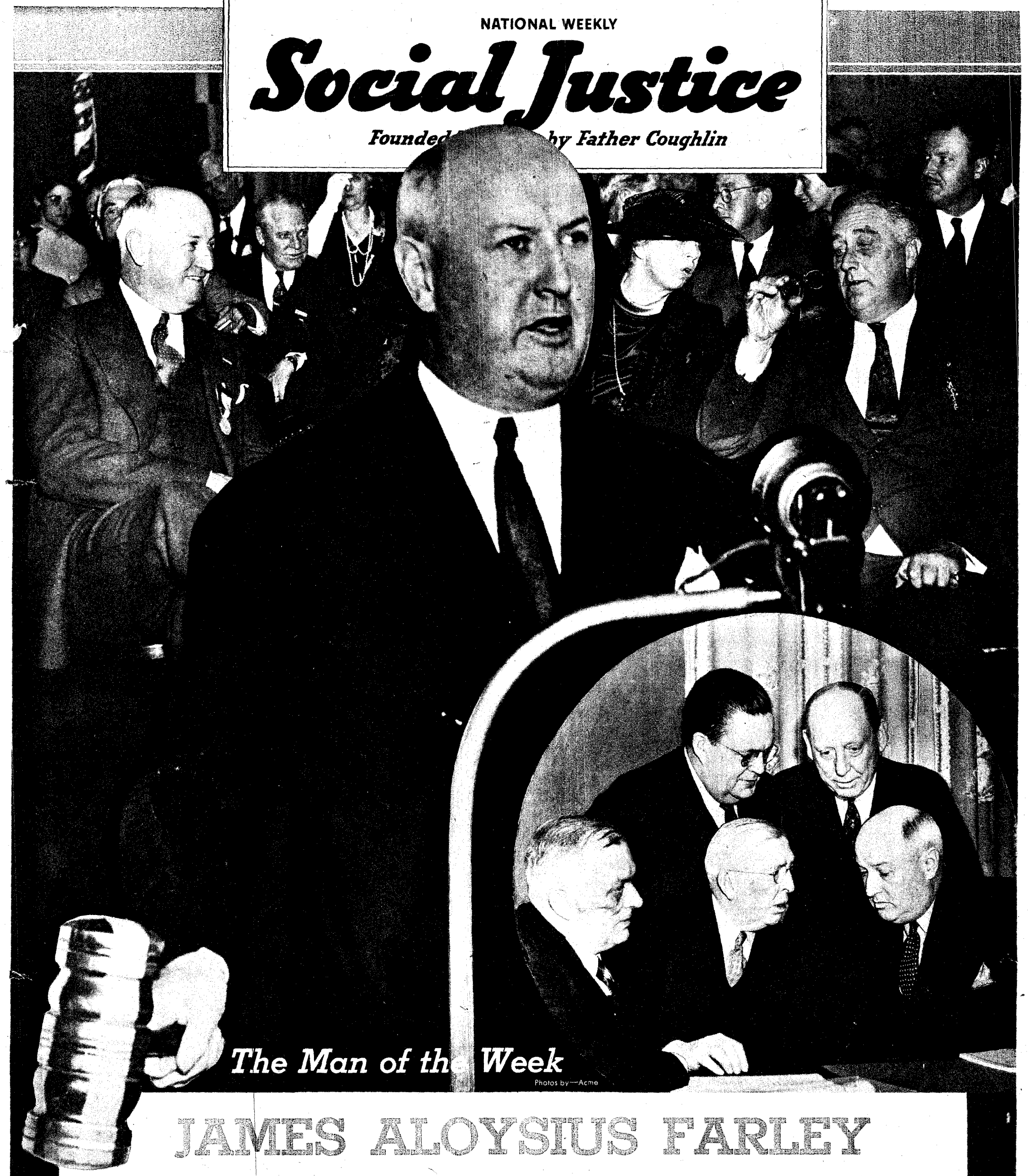
REMEMBER—MOSCOW IS AIDING AMERICAN COMMUNISTS. AMERICAN CHRISTIANS MUST HELP THEMSELVES!

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

NATIONAL WEEKLY

Social Justice

Founded [illegible] by Father Coughlin



The Man of the Week

Photos by—Acme

JAMES ALOYSIUS FARLEY

A GENIUS for making friendships—with a voluminous diary to help a remarkable memory for names and faces—today's Man of the Week is one of the best known figures in several generations of American politics. The genial New York boxing commissioner, sometimes referred to as "the traveling Elk," was campaign manager for Franklin D. Roosevelt in his election as governor of New York and later President.

Rewarded by the double accolade of Democratic National Chairman and Postmaster General, Jim Farley became also, by his own admission, the "man who takes the rap for administration."

"There will be no reprisals," said the party chairman after the last election, but his words were drowned in the din of "cracking down" instituted by the New Deal.

Speaking to Democrats in a Michigan rally the other day, Mr. Farley confided that "the Chief" really did not intend to press further the reputed "purge" of those whose minds do not always go along with his. Almost at the very moment of that assurance, the President of the United States, on a Georgia platform, was thrusting himself into a hot three-cornered state fight, to give his personal endorsement to a federal district attorney, while "slapping down" the veteran Senator George, along with Gov. Tallmadge of third-party threat fame.

A frank champion of spoils politics, Farley says: "The rule we follow can be boiled down to a few essentials: First, Is the applicant qualified? Second, Is he loyal to the party and sympathetic toward the program of Franklin D. Roosevelt?"

Genial Jim, it would seem, is still the loyal lieutenant; but, also, he is still taking the rap!

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED